Petitions Inpatient Hospice 1 through 6 Received Regarding the Proposed 2008 State Medical Facilities Plan

Attached is the Agency Report on:

- *Petition Inpatient Hospice 1 from Hospice and Palliative Care Cleveland County
- *Petition Inpatient Hospice 2 from Hospice and Palliative Care Center (Forsyth County)
- *Petition Inpatient Hospice 3 from Hospice of Gaston County
- *Petition Inpatient Hospice 4 from Haywood Regional Medical Center Hospice
- *Petition Inpatient Hospice 5 from Johnston Memorial Hospital Authority
- *Petition Inpatient Hospice 6 from Angel Hospice and Palliative Care (Macon County)

NOTE: The Petitions and related comments follow:

Attachment – Hospice Inpatient 1: Petition Inpatient Hospice 1 from Hospice and Palliative Care Cleveland

Attachment – Hospice Inpatient 2: Hospice and Palliative Care Center (Forsyth County)

Attachment - Hospice Inpatient 3: Hospice of Gaston County

Attachment - Hospice Inpatient 4: Haywood Regional

Medical Center Hospice

Attachment - Hospice Inpatient 5: Johnston Memorial

Hospital Authority

Attachment - Hospice Inpatient 6: Angel Hospice and

Palliative Care (Macon County)

AGENCY REPORT:

Proposed 2008 Plan

- Notes related to Petition Inpatient Hospice-1 from Hospice and Palliative Care Cleveland County
- Notes related to Petition Inpatient Hospice-2 from Hospice and Palliative Care Center (Forsyth County)
- Notes related to Petition Inpatient Hospice-3 from Hospice of Gaston County
- Notes related to Petition Inpatient Hospice-4 from Haywood Regional Medical Center Hospice
- Notes related to Petition Inpatient Hospice-5 from Johnston Mentorial Hospital Authority
- Notes related to Petition Inpatient Hospice-6 from Angel Hospice and Palliative Care (Macon County)

REQUEST

Petition Inpatient Hospice-1: Hospice and Palliative Care Cleveland County submitted a petition for four additional hospice inpatient beds in Cleveland County.

Petition Inpatient Hospice-2: Hospice and Palliative Care Center submitted a petition for ten additional hospice inpatient beds in Forsyth County.

Petition Inpatient Hospice-3: Hospice of Gaston County submitted a petition to eliminate the need determination for seven additional inpatient hospice in Gaston County.

Petition Inpatient Hospice-4: Haywood Regional Medical Center Hospice submitted a petition for six hospice inpatient beds in Haywood County.

Petition Inpatient Hospice-5: Johnston Memorial Hospital Authority submitted a petition to reduce the need determination to four hospice inpatient beds rather than eight beds in Johnston County.

Petition Inpatient Hospice-6: Angel Hospice and Palliative Care submitted a petition for six hospice inpatient beds in Macon County.

BACKGROUND INFORMATION

The Proposed 2008 Plan makes single county determinations when the County deficit is 6 or more beds based on the Standard Methodology except for three counties (Columbus, Robeson and Surry) that have high days of care per 1000 population compared to the State average and also have a new hospice inpatient facility. Certificate of Need approved beds or need determinations in prior Plans. The hospice inpatient methodology bases total estimated inpatient days of care on 8% of total estimated days of care; projects inpatient beds based on

85% occupancy; and, adjusts projected beds for occupancy rates of existing facilities that are not at 85% occupancy.

Application of the methodology (excluding the three counties noted above) resulted in need determinations in 6 counties for a total of 43 beds.

Inventory Overview

There are 19 hospice inpatient facilities (155 beds) in the state. If all CON applications and need determinations through the Proposed 2008 Plan were to be approved, the state could have facilities in 43 counties with a total of 460 inpatient hospice beds.

The following table lists, based on the Proposed 2008 Plan, counties with inpatient and residential beds, number of beds, % of county and state deaths served by hospice, and hospice days of care per 1000 population for the county and state.

The table indicates that except for six counties, counties with inpatient and/or residential beds, have higher % of deaths served by Hospice than the state average. The table also indicates that about the same number of counties have higher hospice days of care as have lower days of care compared to the state average.

County/State	# Inpatient Beds	# Residential Beds	% of deaths served by	Hospice Days of Care per 1000
Alamance			Hospice	
Buncombe	<u>6</u>	<u> </u>	35.76	236.38
		12	32.15	236.27
Burke	0	6	33.72	329.68
Cabarrus	0	_ _ 6	33.26	204.98
Caldwell	6	0	43.67	420.63
Catawba	5	10	47.51	336.98
Cleveland	5	9	38.7	342.2
Cumberland	8	0	25.63	449.25
Forsyth	20	10	35.42	192.46
Guilford		14	26.98	250.18
Harnett	7	0	30.76	609.54
Henderson	12	6	55.56	666.47
lredell	3	6	29.64	218.94
Mecklenburg	8	0	32.9	171.74
New Hanover	12	0	41.65	243.69
Orange	6	0	29.82	154.35
Richmond	0	6	32.06	778.75
Robeson	12	0	26.11	1081.66
Rutherford	- 4	8	53.88	535.69
Scotland	0	- 6	50.4	622.52
Union	0	14	31.67	135.74
Wake	6	0	36.3	159.91
Wayne	6		26.18	306.75
State	155	125	30.46	280.66

In addition to licensed beds in existing facilities noted in the table above, several counties have beds that are CON approved and are yet to be licensed.

County/State	# Inpatient Beds	# Residential Beds	% of deaths served by Hospice	Hospice Days of Care per 1000
Beaufort	6	0	23.9	469.29
Burke	8	0	33.72	329.68
Cabarrus	6	0	33.26	204.98
Columbus	6	()	33.22	972.49
Davidson	8	4	27.07	210.17
Duplin	3	3	27.03	453.65
Durham	12	0	34.27	186.04
Gaston	6	6	34.24	245.75
Johnston	8	4	27.01	348.71
Mecklenburg	11	5	32.9	171.74
Moore	11	0	35.88	604.35
Pitt	8	0	27.98	235.26
Randolph	6	4	31.22	216.64
Robeson	6	()	26.11	1081.66
Rockingham	3	5	24.71	197.43
Surry	13	7	40.66	982.18
Union	6	6	31.67	135.74
Wake	- 8	6	36.3	159.91
Wayne	6	6	26.18	306.75
State	141	56	30.46	280.66

Further, as indicated in the following discussion regarding prior plan need determinations, several other counties that are not listed above may be approved to develop hospice inpatient beds in the future. They are: Alamance (2), Bladen (7), Brunswick (7), Caldwell (3), Catawba (6), Cumberland (21), Gaston (7), Harnett (9), Henderson (7), Iredell (6), Johnston (8), Lee (9), Lincoln (6), Nash (6), Richmond (9), Robeson (9), Rowan (7), Rutherford (6), Sampson (10), Scotland (4), Surry (7), and Wilson (8).

2002 Plan.

The 2002 Plan was the first Plan since 1995 to contain a need determination for inpatient hospice beds. The 1995 Plan identified a need for 14 inpatient beds in Forsyth County based on the standard methodology in effect at that time.

The 2002 Plan contained single county need determinations for five counties; Cleveland, Cumberland, Gaston, Richmond and Rutherford counties. The need determinations for Cleveland (two beds) and Rutherford (four beds) were based on adjusted need determinations recommended by the Long-Term Care Committee in response to petitions filed by hospice agencies in these counties. Both Cleveland and Rutherford counties exceeded the state average % deaths served by Hospice and Hospice days of care per 1000 population. Also, the number of beds requested by the petitioners agreed with the deficits identified in the 2002 Plan. The need determinations for Cumberland, Gaston and Richmond counties were based on the Standard Methodology. No CON applications were filed for the Gaston or Richmond need determinations identified in the 2002 Plan.

2003 Plan

The 2003 Plan contained single county need determinations for seven counties. The need determinations for Catawba, Forsyth, Iredell, Mecklenburg and Union counties were based on adjusted need determinations recommended by the Long-Term Care Committee in response to petitions filed by Hospices in these counties. The need determinations for Gaston (6 beds) and Richmond counties (9 beds) were based on the Standard Methodology. No CON applications were filed for the Richmond and Union County need determinations.

All counties (except Iredell) that received adjusted need determinations, exceeded the state average % deaths served by Hospice and two of the five counties exceeded the state average Hospice days of care per 1000 population. Also, with regard to Catawba and Iredell counties, the number of beds requested by the petitioners agreed with the deficits identified in the 2003 Plan. Union County requested four beds, but the adjustment was for 3 beds which was consistent with the deficit identified in the Plan.

With regard to Forsyth County, the committee recommended that the petition for 6 additional beds be approved even though there was a surplus of 2 beds based on the standard methodology. As noted in the Agency Report, the Forsyth County facility had a high utilization rate (approximately 97% occupancy). Also, the facility indicated a daily waiting list of 5-6 patients and that 3.312 inpatient days were denied due to lack of availability to inpatient beds in Forsyth County which would equate to 11.3 additional beds at 80% occupancy. It was also noted that the Forsyth facility served a larger area than just Forsyth County and there was support from the community, hospitals and physicians.

With regard to Mecklenburg County, the petition requested 21 inpatient beds. The eleven beds allocated by the committee was consistent with the standard methodology if the existing unit at Presbyterian Hospital had been at 80% occupancy.

2004 Plan

The 2004 Plan contained single county need determinations for seven counties. The need determinations for Duplin, Henderson and Surry counties were based on adjusted need determinations recommended by the Committee in response to petitions filed by Hospices in these counties. The need determinations for Guilford, Durham, Richmond and Robeson counties were based on the Standard Methodology. No CON applications were filed for the Durham, Richmond, or Robeson county need determinations.

Two of the three counties that received adjusted need determinations, exceeded the state average % deaths served by Hospice and the state average Hospice days of care per 1000 population. Also, with regard to Surry/Yadkin counties, the number of beds requested by the petitioner agreed with the deficits identified in the 2004 Plan.

With regard to Henderson County, the committee recommended that the petition for 6 additional beds be approved even though there was a <u>surplus</u> of 3 beds based on the standard methodology. The petitioner noted inpatient days had been constrained by the limitation on the number of beds (inpatient days decreased from 14.1% in 2000 to 11.8% in 2003). As noted in the Agency Report, the Henderson County facility had a high utilization rate

(approximately 91.5% occupancy). It was also noted that there was support from the hospital, physicians and other hospices.

With regard to Duplin County, the petitioner requested 3 inpatient beds. The committee recommended that there be an adjusted need determination for 3 beds even though the projected deficit was only one bed based on the standard methodology. The petitioner indicated issues related to distance from other inpatient hospice facilities, occasions when beds were not available, broad community support, and availability of funds for the project.

2005 Plan

The 2005 Plan contained single county need determinations for seven counties. The need determinations for Davidson, Pitt, Rockingham and Wake counties were based on adjusted need determinations recommended by the Committee in response to petitions. The need determinations for Cumberland, Harnett and Robeson counties were based on the Standard Methodology. No CON applications were filed for the Cumberland County need determination.

One of the four counties that received adjusted need determinations, exceeded the state average % deaths served by Hospice.

With regard to Pitt County, the committee recommended that the petition for 8 additional beds be approved even though there was a deficit of only 2 beds based on the standard methodology. The petitioner noted a sizeable number of hospital based deaths with diagnoses approved for admission to a hospice inpatient facility, a large service area, lack of inpatient hospice facilities, and the possibility of reducing the cost of care. The petitioner also provided evidence of broad community support and funds pledged for a facility.

With regard to Wake County, the petitioner requested 8 inpatient beds. The eight beds allocated by the committee was consistent with the standard methodology if the existing unit at Rex Hospital had been at 80% occupancy.

With regard to Davidson County, the petitioner requested an adjusted need determination for 6 beds. The committee recommended that there be an adjusted need determination for 4 beds which was consistent with the deficit identified based on the standard methodology. Noted was the level of support for inpatient beds in the County.

Regarding Rockingham County, the petitioner requested an adjusted need determination for 3 beds. The committee recommended that there be an adjusted need determination for 3 beds even though the projected deficit was only two beds based on the standard methodology. Noted was the level of support for inpatient beds in the County.

2006 Plan

The 2006 Plan contained single county need determinations for 18 counties. The need determinations for Davidson, Durham (the standard methodology indicated a need for 7 versus the 12 beds identified in the Plan), Macon and Wayne counties were based on adjusted need determinations recommended by the Committee in response to petitions. The need

determinations for the other counties were based on the Standard Methodology. No CON applications were filed for the Macon County need determination.

One of the four counties that received adjusted need determinations, exceeded the state average % deaths served by Hospice and the state average Hospice days of care per 1000 population.

With regard to Macon County, the committee recommended that the petition for 3 additional beds be approved. The closest facilities were in Buncombe and Henderson counties. Macon County had higher % of deaths served by Hospice and average days of care/1000 population than the State average. The petitioner provided evidence of community support and noted creation of a Foundation to provide financial support.

With regard to Durham County, the petitioner requested a total of 12 inpatient beds rather than the 7 bed need determination identified in the Plan. The Committee recommended approval of the petition. The petitioner provided evidence of community support. It was noted that Durham County had a relatively large population and was the site of an academic medical teaching center. Also noted was the collective projected inpatient beds for the triangle area was 36 while the total number of beds currently licensed or available for CON review was only 27.

With regard to Davidson County, the petitioner requested an adjusted need determination for four beds which was approved by the Committee and was consistent with the deficit identified based on the standard methodology. Noted was the level of support for inpatient beds in the County.

Regarding Wayne County, the petitioner requested an adjusted need determination for 6 beds. The committee recommended that there be an adjusted need determination for 6 beds even though there was a projected surplus of one bed based on the standard methodology. Noted was the high level of utilization of the existing facility and the level of support for additional inpatient beds in the County.

2007 Plan

The 2007 Plan contains single county need determinations for 9 counties. The need determinations for Alamance, Caldwell, Catawba, Iredell, Rutherford and Scotland counties were based on adjusted need determinations recommended by the Committee in response to petitions. The need determinations for the other counties were based on the Standard Methodology. The CON application deadline is September 15 for Catawba, Iredell and Rutherford counties.

Five of the six counties that received adjusted need determinations, exceeded the state average % deaths served by Hospice and four exceeded the state average Hospice days of care per 1000 population.

With regard to Alamance County, the petitioner requested an adjusted need determination for four additional beds. The committee recommended that there be an adjusted need

determination for 2 beds which was consistent with the deficit identified based on the standard methodology. Noted was the level of utilization of hospice services and support for additional beds.

With regard to Caldwell County, the petitioner requested an adjusted need determination for three additional beds which was approved by the Committee and was consistent with the deficit identified based on the standard methodology. Noted was the level of utilization of hospice services and support for additional beds.

With regard to Catawba County, the petitioner requested an adjusted need determination for six, or as an alternative, ten additional hospice inpatient beds. The Committee recommended approval of the petition for six beds. Noted was the level of utilization of hospice services and support for additional beds and the projected deficit of six beds.

With regard to Iredell County, the petitioner requested an adjusted need determination for six additional hospice inpatient beds. The Committee recommended approval of the petition for six beds. Noted was the level of support for additional beds. The plan projected a deficit of five beds.

With regard to Rutherford County, the petitioner requested an adjusted need determination for six additional hospice inpatient beds. The Committee recommended approval of the petition for six beds. Noted was the level of utilization of hospice services and support for additional beds. The plan projected a deficit of three beds.

Regarding Scotland County, the petitioner requested an adjusted need determination for four beds. The committee recommended that there be an adjusted need determination for four beds which was consistent with the deficit identified based on the standard methodology. Noted was the level of utilization of hospice services and the level of support for additional inpatient beds in the County.

Proposed 2008 Plan

The Proposed 2008 Plan identifies need determinations in six counties for a total of 43 beds. The counties are Brunswick, Gaston, Henderson, Johnston, Lincoln and Wilson.

Other

It should be noted that anyone may apply for the beds if it were decided to approve any of the petitions. CON applications could be submitted for a hospital based facility, nursing home based facility or a free-standing facility and the facility could be proposed for development anywhere within a county.

Staff provided copies of the petitions for comment to two organizations that represent hospice: Carolinas Center for Hospice and End of Life Care and the Association for Home and Hospice Care of North Carolina. No written comments were received from either organization as of the date this report was printed.

ANALYSIS OF INDIVIDUAL PETITIONS

Petition Inpatient Hospice-1: Hospice and Palliative Care Cleveland County

The petitioner requests an adjusted need determination for four additional hospice inpatient beds in Cleveland County. The petitioner currently has an inpatient facility, Wendover, in Cleveland County with 5 inpatient and 9 residential beds.

The Proposed 2008 Plan, page 283, identifies a deficit of "4" beds in Cleveland County, and, as a result, does not identify a need determination for new inpatient hospice beds.

Utilization of Existing Hospice Beds

The Cleveland inpatient facility reported 99.9% occupancy on the inpatient beds based on 2007 License Renewal Application information. The previous year the facility reported 100% occupancy. Cleveland County residents accounted for 75% of the days of care at the facility.

Two of the state's existing hospice inpatient facilities are in counties contiguous to Cleveland County; Catawba Valley Hospice House with a 5 bed facility in Catawba County, and Rutherford County's 4 bed Hospice Home facility. Based on 2007 License Renewal Application information, the Catawba facility did not report any days of care from Cleveland County and the Rutherford facility only reported 7 of the total 1,254 days of care from Cleveland County. One other facility reported days of care for Cleveland County, Presbyterian Hospital in Mecklenburg County reported 15 days of care. Based on reported utilization, it does not appear that the petition would have a significant impact on utilization of other facilities.

A Certificate of Need has been issued for the development of a new facility with eight inpatient beds in Burke County and Gaston County has been approved for a six bed facility. Based on the 2007 License Renewal Application for the Cleveland facility, 338 days of care of a total of 1,824 days was reported for Gaston County. Hospice and Palliative Care Cleveland County reported serving patients in Gaston County. Further, the 2007 Plan has a need determination for 6 inpatient beds in Rutherford County and the Proposed 2008 Plan has need determinations for 7 beds in Gaston County and 6 beds in Lincoln County. Based on the 2007 License Renewal Application for the Cleveland facility, no days of care were reported for Lincoln and Rutherford counties.

Other

As indicated in the Proposed 2008 Plan, Cleveland County was higher than the state average % of deaths served by Hospice and the state average days of care/1000 population.

The petitioner indicates a number of patients have not been served and an average of six patients were on the waiting list for admission. The county of residence for the patients is not identified. It is not known to what extent this situation may be addressed by the development of inpatient beds in contiguous counties.

The petitioner provided evidence of community support with numerous letters of support from a variety of sources representing health care providers in the area as well as comments from the public.

Agency Recommendation

The Agency supports the standard methodology. However, the Agency notes the level of utilization of hospice services in Cleveland County and the support for additional inpatient beds. The Agency recommends that the petition be approved for an adjusted need determination in Cleveland County for four inpatient hospice beds. Four beds is consistent with the deficit identified in the Proposed 2008 Plan.

Petition Inpatient Hospice-2: Hospice and Palliative Care Center (Forsyth County)
The petitioner requests an adjusted need determination for ten additional hospice inpatient beds in Forsyth County. The petitioner currently has an inpatient facility, Kate B. Reynolds

Hospice House, in Forsyth County with 20 inpatient and 10 residential beds.

The Proposed 2008 Plan, page 283, identifies a surplus of "2" beds in Forsyth County and, as a result, does not identify a need determination for new inpatient hospice beds.

Utilization of Existing Hospice Beds

The Forsyth inpatient facility reported 100% occupancy for the inpatient beds based on 2007 License Renewal Application information. The previous year the facility reported 100% occupancy. Forsyth County residents accounted for 71.7% of the days of care at the facility.

Two of the state's existing hospice inpatient facilities are in a county contiguous to Forsyth County - Beacon Place with 8 beds and Hospice Home at High Point with 6 beds. Both facilities are in Guilford County. Beacon Place reported "0" days of care for Forsyth County and the facility in High Point did not report any days as it had not admitted any patients as of September 30, 2006 based on 2007 License Renewal Application information and no facility outside Forsyth County reported days of care for Forsyth County. Based on reported utilization, it does not appear that the Forsyth petition would have a significant impact on utilization of existing facilities.

Certificates of Need have been issued for the development of a new facility with eight inpatient beds in Davidson County, a three bed facility in Rockingham County and a 13 bed facility in Surry County. Based on the 2007 License Renewal Application for the Forsyth facility, of the total 7,541 days of care, 630 were from Davidson County, 29 were from Rockingham County and 253 were from Surry County. The petitioner reported serving patients in each of these counties. It is not known to what extent development of bcds in these contiguous counties may effect utilization of the Forsyth facility.

Other

As indicated in the Proposed 2008 Plan, Forsyth County was higher than the state average % of deaths served by Hospice and lower than the state average days of care/1000 population.

It is interesting to note that if Forsyth County were at the state average days of care/1000 population, there would be a projected deficit of six beds rather than a projected surplus of 2 beds. Based on the days of care reported for the Forsyth facility on the 2007 License Renewal Application, there would need to be 24.3 beds in the Forsyth facility to have an 85% occupancy versus the reported 100+%.

The petitioner notes that 316 persons were not admitted in 2006 to the facility and 269 patients died waiting for a bed. Assuming that 65% of the persons not admitted were from Forsyth County and there was an 11 day average length of stay, there would be a need for approximately 7 additional beds.

The current inventory of licensed and CON approved beds in Forsyth and contiguous counties totals 58. In comparison, the total projected number of beds for these counties is 91. If Davidson, Guilford, Rockingham and Surry counties are subtracted, the total current inventory of licensed and CON approved beds would be 20 (the 20 beds in Forsyth County) and the number of projected beds would be 27 which results in a projected deficit of 7 beds.

As indicated in the background information provided at the beginning of this report, the Committee has recommended allocations of beds when there have been projected surpluses; namely, six beds for Forsyth in the 2003 Plan even with a 2 bed projected surplus and six beds for Henderson County with a projected surplus of 3 beds.

Letters of support were received from Hospice of Randolph County and Hospice of the Piedmont. A letter opposed to the petition was received from Mountain Area Hospice and Palliative Care.

The Agency notes that the petitioner's facility has 20 licensed inpatient beds. It is the largest hospice inpatient facility in the state. A question may be what would be the appropriate maximum size for an inpatient hospice facility? Also, what consideration should be given to geographic access within Forsyth County to inpatient hospice beds?

Agency Recommendation

The Agency supports the standard methodology. However, the Agency notes the level of utilization of hospice services in Forsyth County. Of particular note is that Forsyth County has the fourth highest population in the State and is the site of two regional tertiary care centers one of which is an academic medical teaching center. Both centers support the addition of inpatient beds. Further, if the Committee were to determine it was appropriate to consider the northern Piedmont as an area and the historical utilization of the Forsyth facility in the area, the Committee may consider it reasonable to grant the petitioner's request. If the Committee were to recommend approval of the petition, the Agency suggests that consideration be given to asking CON applicants to demonstrate consideration of facility size and geographic access to the medically underserved in their CON application.

Petition Inpatient Hospice-3: Hospice of Gaston County d/b/a Gaston Hospice

The Proposed 2008 Plan, page 290, identifies a need for 7 additional beds in Gaston County. The petitioner requests that the seven bed need determination for Gaston County be adjusted to a need determination of zero for the 2008 Plan (i.e., there would be no need determination in the Plan for additional hospice inpatient beds in Gaston County). The petitioner received a certificate of need for a facility in Gaston County with 6 inpatient and 6 residential beds.

Utilization of Existing Hospice Beds

The petitioner indicates the hospice facility opened in July 2007. No data was provided on utilization of the facility.

Two of the existing hospice inpatient facilities are in counties contiguous to Gaston County. The facility in Cleveland County, based on 2007 License Renewal Application information, reported a total of 338 days of care from Gaston County of a total of 1.824 days of care. Presbyterian Hospital in Mecklenburg County reported 116 days out of a total of 2215 for Gaston County. The facility in Caldwell County reported 5 days of care for Gaston County. It is also noted that a petition has been submitted to add beds in Cleveland County.

A certificate of need has been issued to develop a new 11 bed facility in Mecklenburg County and the Proposed 2008 Plan contains a need determination for 6 beds in Lincoln County.

Other

The petitioner references the plan methodology being incapable of determining the number of residential days versus inpatient days. The plan methodology does not address residential days nor does it attempt to project residential day utilization. The methodology projects days of inpatient care.

The petitioner notes that it makes more sense to allow the Gaston hospice facility to operate for a period of time and then determine whether additional inpatient beds are needed. However, it is quite possible that it could be 2010 or later before the additional 7 beds would be opened (assuming a certificate of need were applied for and awarded) based on the time table for development. For example, a need determination in the 2003 Plan lead to the development of the Gaston facility and the facility did not open until 2007. If there were to be a need determination in the 2008 Plan, the CON review could be scheduled to begin on December 1, 2008, and if the decision took 150 days and if no one appealed the decision, a Certificate of Need could be issued around May 2009. If new construction were to be involved, the facility may not be operational until 2010. Therefore, the existing Gaston facility could have operated for approximately three years before additional beds were licensed in the county.

The petitioner notes the adjustments made to exclude need determinations for Columbus, Robeson and Surry Counties. However, while it is true that Gaston has a new facility, Gaston has very different days of care/1000. Columbus, Robeson and Surry counties had days of care/1000 that exceeded the state average by over 300%. By comparison, Gaston's days of care/1000 is lower than the state average, 245.75 versus 280.66.

As indicated in the Proposed 2008 Plan, Gaston County was higher than the state average % of deaths served by Hospiee.

Agency Recommendation

The Agency supports the standard methodology and is reluctant to recommend elimination of a need determination based on the standard methodology. Therefore, the Agency recommends that the petition be denied.

Petition Inpatient Hospice-4: Home Care Services of Haywood Regional Medical Center The petitioner requests an adjusted need determination for six hospice inpatient beds in Haywood County. There is no hospice inpatient facility in Haywood County.

The Proposed 2008 Plan, page 284, identifies a deficit of "3" beds in Haywood County and, as a result, does not identify a need determination for new inpatient hospice beds.

Utilization of Existing Hospice Beds

Two of the state's existing hospice inpatient facilities are in counties contiguous to Haywood County; Solace in Buncombe County with 15 inpatient beds and Four Seasons' 12 bed facility in Henderson County. Based on 2007 License Renewal Application information, the Buncombe facility reported 220 days of care of a total of 5575 days from Haywood County and the Henderson facility reported "0" days for Haywood County. The Buncombe facility reported over 100% occupancy last year. Based on reported utilization, it does not appear that the petition would have a significant impact on utilization of existing facilities.

The Proposed 2008 Plan contains a need determination for 7 beds additional beds in Henderson County.

Other

As indicated in the Proposed 2008 Plan, Haywood County was lower than the state average % of deaths served by Hospice and state average days of care/1000 population.

As indicated in the background information provided at the beginning of this report, the Committee has recommended allocations of less than 6 beds and has recommended as few as 3 beds for counties.

Agency Recommendation: The Agency supports the standard methodology. However, the Agency recommends that the petition be approved to the extent that there be an adjusted need determination for Haywood County in the 2008 Plan. The number of beds identified could be as few as three which is consistent with the deficit identified in the Proposed 2008 Plan or as high as six as requested by the petitioner.

Petition Inpatient Hospice-5: Johnston Memorial Hospital Authority

The petitioner requests an adjusted need determination for four additional hospice inpatient beds in Johnston County rather than eight beds. The Proposed 2008 Plan has a need determination for eight additional beds in the county. The petitioner currently has a certificate of need to develop 8 inpatient and 4 residential hospice beds.

Utilization of Existing Hospice Beds

Three of the state's existing hospice inpatient facilities are in counties contiguous to Johnston County; Community Hospice House in Harnett with 7 beds, Rex Hospital in Wake with 6 beds and Kitty Askins Hospice Center in Wayne with 6 beds. Based on 2007 License Renewal Application information, Rex Hospital reported only 65 days of care of a total of 1547 for Johnston County and Kitty Askins reported 215 days of 2181. No other facility reported days of care for Johnston County.

The 2007 Plan has a need determination for 6 beds in Nash County. Further, Certificates of Need have been awarded for development of 8 additional beds in Wake County and 6 additional beds in Wayne County.

Other

As indicated in the Proposed 2008 Plan, Johnston County was lower than the state average % of deaths served by Hospice and higher than the state average days of care/1000 population.

The petitioner proposes that the need determination for Johnston County is overstated. As noted above, Johnston County has higher days of care per thousand (348.71) than the state average (280.66). If the number of inpatient beds projected for Johnston County were based on the State average, there would be a projected deficit of 5 beds (280.66 * 176642/1000 * .08)/365/.85 = 12.78. 12.78 - 8 CON approved beds = 4.78 bed deficit,) rather than the 8 bed deficit projected in the Proposed 2008 Plan.

Agency Recommendation: The Agency supports the standard methodology. However, the Agency notes the higher days of care/1000 population for Johnston County compared to the State average and the CON issued for 8 beds in Johnston County. Therefore, the Agency recommends that petition be approved and that there be a need determination for 4 beds in the Proposed 2008 Plan for Johnston County. As an alternative, the Committee may wish to recommend that there be a need determination for five beds based on utilization of the State average days of care per thousand.

Petition Inpatient Hospice-6: Angel Hospice and Palliative Care

The petitioner requests an adjusted need determination for six hospice inpatient beds in Macon County. There is no licensed hospice inpatient or residential facility in Macon County.

The Proposed 2008 Plan, page 284, identifies a deficit of "4" beds in Macon County and, as a result, does not identify a need determination for new inpatient hospice beds in the County.

Utilization of Existing Hospice Beds

None of the existing hospice inpatient facilities are in counties contiguous to Macon County and there are no need determinations in the Proposed 2008 Plan for Macon or contiguous counties. Two existing facilities reported days of inpatient care for Macon and contiguous counties. Solace in Buncombe County reported 29 days for Jackson County and 29 days for Macon County and Kirkwood in Caldwell County reported 8 days for Swain County.

<u>Other</u>

As indicated in the Proposed 2008 Plan, Macon County was slightly lower than the state average % of deaths served by Hospice and higher than the state average days of care/1000 population.

The petitioner notes the combined contiguous county deficits for a six county area in the far western portion of the State in which there are no inpatient hospice beds. Based on the Proposed 2008 Plan, the combined deficit within Cherokee, Clay, Graham, Jackson, Macon and Swain counties is "8" with "4" of the "8" being for Macon County and "2" of the "8" being for Jackson County. Based on 2007 License Renewal Application information, within

Macon County, Angel Hospice and Palliative Care provided the majority of hospice care. This is also true of Swain and Graham counties. WestCare Home Health and Hospice, which is located in Jackson County, provided a letter of support for the petition. WestCare provided the majority of care in Jackson County and also provided services in Macon, Swain and Graham Counties.

The petitioner provided evidence of support with numerous letters of support from citizens, clergy, a physician and WestCare. The petitioner also noted donations being received.

Agency Recommendation: The Agency supports the standard methodology. However, the Agency notes the level of utilization of hospice services in Macon County and the support for inpatient beds. The Agency recommends that the petition be approved and that there be an adjusted need determination in Macon County for six inpatient hospice beds.

Petition Inpatient Hospice – 1 Received Regarding Proposed 2008 State Medical Facilities Plan

Petition from Hospice and Palliative Care Cleveland County. (note: included with the letters of support submitted with the petition are comments from the Charlotte public hearing.)

PETITION

Petition for a Special Need Adjustment to the Hospice Inpatient Bed Need Methodology

Petitioner:

Hospice & Palliative Care Cleveland County 951 Wendover Heights Drive Shelby, NC 28150

Myra McGinnis, Executive Director (704) 487-4677

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Medical Facilities Planning Section

Requested Change:

Hospice & Palliative Care Cleveland County requests an adjusted need determination for four hospice inpatient beds in Cleveland County.

Reasons for Requested Change:

Hospice & Palliative Care Cleveland County owns and operates Wendover *The Kathleen Dover Hamrick Hospice House*, a combined inpatient and residential hospice facility with five inpatient beds and nine residential beds. According to Table 13C in the Proposed 2008 State Medical Facilities Plan (SMFP), Hospice & Palliative Care Cleveland County's five inpatient beds were the third most utilized hospice inpatient beds in North Carolina, operating at 99.9 percent occupancy in FY 2006. The Proposed 2008 SMFP also indicates a projected need for a total of nine hospice inpatient beds in Cleveland County, leaving a deficit of four beds.

Under the current methodology, there is no mechanism for allocating additional hospice inpatient beds in Cleveland County until a deficit of six beds is reached. Hospice & Palliative Care Cleveland County is requesting an adjustment to the standard need methodology to allocate the four additional inpatient hospice beds that are identified as needed in the Proposed 2008 SMFP.

Without the proposed adjustment, Hospice & Palliative Care Cleveland County will be forced to:

- 1) Continue to operate at or near 100 percent occupancy.
- 2) Deny admission to our facility to patients in need of our specialized services due to the fack of available beds,
- Require patients to remain on a waiting list for admission to the facility, creating additional stress and potentially negatively impacting their health care and quality of life.

As noted previously in the petition, Hospice & Palliative Care Cleveland County's existing five inpatient beds operated at almost 100 percent occupancy in 2006. For 2007 year-to-date, the occupancy for these beds equals 100 percent. Occupancy exceeded 100 percent in 2005 and exceeded 97 percent in 2004.

During 2006, a total of 58 patients were on the waiting list for admission, but were never admitted because no bed was available. All of these patients died somewhere other than our hospice inpatient facility. The number of patients not able to be served through June 2007 has already reached 32. A random sampling of days throughout the year in 2006 and year-to-date in 2007 indicates that on any given day, an average of six patients were on the waiting list for admission to the facility. The addition of four inpatient beds would significantly reduce the number of patients on the waiting list and the number denied admission to the facility.

As noted in the letters of support attached to this petition, hospice inpatient care is an important component in the continuum of care in Cleveland County. Hospice & Palliative Care Cleveland County, along with Cleveland Regional Medical Center, Cleveland Home Health Agency, Cleveland Pines Nursing Center, CLECO Primary Care Network, Kings Mountain Hospital, and Crawley Memorial Hospital, are members of the HealthCare Enterprise. The strategy of the HealthCare Enterprise includes assuring that community health care resources are used with maximum stewardship, that duplication of health care effort is minimized, that missing components of the health care service continuum are identified and targeted, and that the health delivery continuum is as seamless and accessible as possible. Each of these providers is strongly committed to honoring the continuum of care and referring patients to the most appropriate level of care available in our community. This cooperative spirit among the providers has led, in part, to the success of our hospice inpatient facility and its recognition as the standard for end-of-life care in Cleveland County. As such, we strongly believe there is no other appropriate alternative to meet the needs of such patients other than to add more hospice inpatient beds.

While we agree that six beds may be a reasonable threshold for the establishment of a new hospice inpatient facility, we believe it is unreasonable to force an existing provider, operating at near 100 percent capacity and turning away patients, to wait until a deficit of six beds is established before allocating additional beds that are so clearly needed. We would also note that our existing inpatient facility has been a feasible and financially viable operation for over ten years and our organization has over 20 years of service within our county.

For these reasons, we are respectfully requesting an adjusted need determination for four additional hospice inpatient beds in Cleveland County.

gg Alleng L Addi

CLEVELAND COUNTY PRIMARY CARE N E T W O R K

> DFS HEATH PLANMING RECEIVED

AUG 0 1 2007

Medical Facilities Planning Section

July 24, 2007

Dr. Dan Myers, Chairperson North Carolina State Health Coordinating Council Medical Facilities Planning Section Division of Facility Services 2717 Mail Service Center Raleigh, NC 27699-2714

Dear Dr. Dan Myers,

I am writing to you in support for Certificate of Need for Hospice & Palliative Care of Cleveland County. Hospice of Cleveland County is wonderful and I do not know what the county would do without Hospice. They have been in business since 1985 and still growing because the need is so great here. When you have a loved one that is terminal it means so much to have Hospice of Cleveland County. The patients and families have a place to go and be together as well as getting great care and feel they are loved and being cared for. Sometimes they must turn patients away due to the bed situation. They serve all surrounding hospitals and nursing homes in the Cleveland County and take patients regardless of the ability to pay. The need is so great and we would really appreciate all you could do to help Hospice of Cleveland County and the citizens of Cleveland County with the Certificate of Need for more beds.

Thank you very much.

Wendy Gunter

Operations Manager

CLECO Primary Care Network

CMG-FAMILY MEDICINE OF CLEVELAND COUNTY 807-3 Schenck Street, Shelby, NC 28150 Phone: (704) 480-0222, Fax: (704) 480-6007

Lynda Lachance, MD

Brad Gardner, C-NP

July 24, 2007

Dr. Dan A. Myers, Chairperson
North Carolina State Health Coordinating Council
Medical Facilities Planning Section
Division of Facility Services
2714 Mail Service Center
Raleigh, NC 27699-2714

DPS HEAlth Planning RECEIVED

AUG 0 1 2007

Dear Dr. Myers:

Medical Facilities Planning Section

This letter is to express our support for the expansion of our current Hospice and Palliative care facility in Cleveland County.

I have had the privilege to serve on the board of Hospice & Palliative Care Cleveland County and know how well run and how appreciated this service is in our community and surrounding counties.

This organization has been providing end of life services in Cleveland County since 1985 and has provided inpatient services since 1996 at Wendover.

Wendover underwent a needed expansion in 2004 increasing its capacity for inpatient care to 5 beds and residential beds to 9. However even with this great addition, the demand for inpatient care is not met and every day deserving patients and their exhausted families are turned away.

In 2006- the waiting list for a bed averaged six patients a day and 58 patients were turned away during that year. So far as of June 2007, Hospice turned away 32 patients.

The greatest asset to Hospice is their wonderful team approach creating an intimate collaboration with most institutions in Cleveland county including: Cleveland Regional Medical Center, Kings Mountain Hospital, several nursing homes, Cleveland Home Health Agency and physicians' offices.

Hospice & Palliative Care Cleveland County serves all patients without regard to referral source or their financial status.

We would therefore welcome the addition of at least four more beds to the Wendover facility to better serve Cleveland County.

Sincerely,

Lynda Lachance, MD



DFS HEATTH Planning RECEIVED

July 24, 2007
Dr. Dan A. Myers, Chairperson
NC State Health Coordinating Council
Medical Facilities Planning Section
Division of Facility Services
2714 Mail Service Center
Raleigh, NC 27699-2714

AUG 0 1 2007

Medical Facilities Planning Section

To Whom It May Concern:

Hospice & Palliative Care Cleveland County has been offering end of life services in Cleveland County since 1985 and has provided hospice inpatient services since 1996 at Wendover - The Kathleen Dover Hamrick Hospice House: we currently have five inpatient beds and nine residential beds:

Hospice & Palliative Care is a partner in the HealthCare Enterprise, a unique collaboration which also includes Cleveland Regional Medical Center, Kings Mountain Hospital, Crawley Memorial Hospital, Cleveland Pines Nursing Center, Cleveland Home Health Agency and the CLECO Primary Care Network, This group works together in assure patients needing health services are seen at the appropriate place along the continuum of care;

Our current waiting list on any given day averages about six patients, more than enough to fill all four beds the SMFP says will be needed for Cleveland County in 2008;

Hospiee & Palliative Care expanded Wendover in 2004 due to high occupancy levels and the fact that many potential patients were on a waiting list for Wendover at the time they died;

Through June of 2007, we have had to turn away, and have been unable to service at Wendover, some 32 patients and we project by year end this will reach well over 60 patients;

In 2006, our waiting list averaged about six patients a day and we turned away 58 patients;

We currently provide services to approximately 40% of all people who die in Cleveland County and are well respected by area providers and the community at large and Hospice & Palliative Care Cleveland County serves all patients without regard to financial or any other status.

Sincerely,

Charlotte Young, NHA

Cleveland Pines Nursing Center

Joint Commission
on Accreditation of Healthcare Organizations



Kings Mountain Hospital

Carolinas HealthCare System

July 31, 2007

DFS HEALTH Planning RECEIVED

Dr. Dan A. Myers, Chairman North Carolina State Health Coordinating Council Medical Facilities Planning Section Division of Facility Services 2714 Mail Service Center

Medical Facilities Planning Section

AUG 0 1 2007

Dear Dr. Myers:

Raleigh, NC 27699-2714

I am writing this letter in support of Hospice & Palliative Care Cleveland County's request to add four hospice inpatient beds in Cleveland County.

Hospice & Palliative Care Cleveland County owns and operates Wendover—The Kathleen Dover Hamrick Hospice House, which currently has five inpatient beds and nine residential beds. Occupancy at Wendover consistently approaches or exceeds 100 percent. In addition, Wendover maintains a waiting list and many patients are denied admission as a result of the limited number of beds.

Kings Mountain Hospital works closely with Hospice & Palliative Care Cleveland County through the Cleveland County HealthCare Enterprise, a unique collaboration that also includes Cleveland Regional Medical Center, Cleveland Home Health Agency, CLECO, Cleveland Pines Nursing Center, and Crawley Memorial Hospital. We work together to assure that patients receive appropriate services along the healthcare continuum.

Hospice & Palliative Care is highly respected within our community and is recognized as the primary provider of end of life care. The addition of four hospice inpatient beds will assist them in meeting the needs of patients throughout our community, and we therefore strongly support their request.

Sincerely,

Sheri DeShazo COO, CNE TIMOTHY E. CLONINGER, M.D.
ROBERT W. FRASER, III, M.D., F.A.C.R.
MARK KIRSCH, M.D., F.A.C.R.
STEVEN R. PLUNKETT, M.D.
MARK J. LIANG, M.D.
JONN B. KONEFAL, M.D.
MICNAEL R. HAAKE, M.D.
DONNA J. GIRARD, M.D.
CATHY H. SEYMORE, M.D.
L. SCOTT MCGINNIS, III, M.D.



200 Queens Road. Suite 400 • Charlotte, N.C. 28204 Phone (704) 333-7376 • Fax (704) 333-7386 • www.treatcancer.com CHARLES J. MEAKIN, III, M.D. BRADLEY T. McCALL, M.D. YVONNE MACK, M.D. THOMAS G. TRAUTMANN, M.D. SCOTT P. LANKFORD, M.D. BERNARD V. EDEN, M.D. ROBERT M. DOUNE, M.D. STUART H. BURE, M.D. ARTHUR W. CHANEY, III, M.D.

Paul A. Williams, M.S.F.H. Administrator

July 24, 2007

Dr. Dan A. Myers, Chairperson North Carolina State Health Coordinating Council Medical Facilities Planning Section Division of Facility Services 2714 Mail Service Center Raleigh, North Carolina 27699-2714 RECEIVED
AUG 0 1 2007

DFS HEAlth Planning

Medical Facilities Planning Section

Dear Dr. Myers:

I am writing in support of the "Special Need" petition asking the state to allow four additional hospice inpatient beds in Cleveland County to be made available in 2008.

The State of North Carolina has determined that four additional inpatient hospice beds will be needed in Cleveland County in 2008. However, the Proposed 2008 State Medical Facilities Plan only authorizes construction when the need reaches six beds. I am requesting an allowance from the state to make the four beds available to Hospice and Palliative Care of Cleveland County in 2008 so that they can apply for a Certificate of Need during 2008 to obtain approval to build them.

Hospice and Palliative Care of Cleveland County has been offering outpatient hospice care in Cleveland County since 1985 and inpatient care since 1996. The inpatient facility was expanded to 5 inpatient beds and 9 residential beds in 2004 due to increased need and increased waiting time for bed availability. From January 2006 through June of 2007 there have been approximately six patients on the daily inpatient waiting list with nearly 100% occupancy of the five inpatient beds in 2007.

As a physician treating oncology patients in Cleveland County, I recognize the need for additional inpatient hospice beds and fully support the proposed petition. Hospice and Palliative Care of Cleveland County has provided an invaluable service to my patients and the community and the need for quality hospice care continues to increase. I appreciate the opportunity to write to you regarding the need for additional hospice inpatient beds in Cleveland County. I am certain that my patients, as well as others in Cleveland County, would benefit from this project.

Sincerely,

Heiten R. Modelin, no

Helen R. Maddux, M. D. Radiation Oncology/Southeast Radiation Oncology Group Cleveland Regional Medical Center



Cleveland County HealthCare System

Carolinas HealthCare System

July 25, 2007

Hospice & Palliative Care Cleveland County 951 Wendover Heights Dr Shelby, NC 28150 DFS Health Planning RECEIVED

AUG 0 1 2007

Medical Facilities Planning Section

To Whom It May Concern:

I am asking you to take a few minutes of your time to review my letter as part of the petition for "Special Needs" from Hospice & Palliative Care Cleveland County.

Hospice & Palliative Care of Cleveland County has been offering end of life services to the Cleveland County since 1985 and also has provided hospice inpatients services and care since 1996 at Wendover, the Kathleen Dover Hamrick Hospice House. They currently have 5 inpatient heds and 9 residential beds. Hospice and Palliative Care expanded Wendover in 2004 due to their high occupancy levels, and that many potential patients were on a waiting list for Wendover at the time they died. Their current waiting list averages about 6 patients a day, more than enough to fill all 4 of the beds that the SMFP says will be needed for the year of 2008 in Cleveland County.

Through June 2007, they have turned away and been unable to serve some 32 patients at Wendover. They project by the end of the year 2007 this will reach at least 60 patients. In 2006, their waiting list averaged about six patients a day; and for the year ended up turning away 58 patients. Their censuses for the existing 5 inpatients beds has been running at or close to 100% occupancy for 2007, and exceed 97% for both 2006 and 2005. Currently Hospice & Palliative Care Cleveland County provides services to approximately 40% of all people who die in Cleveland County. And they serve all of their patients without regard to status, including financial. With this being said, it is should be clear that they have the demand to fill the beds identified in this plan.

Hospice and Palliative Care are well respected by area providers and the community at large. They are a partner in the Healthcare Enterprise, a unique collaboration which also includes Cleveland Regional Medical Center, Kings Mountain Hospital, Crawley Memorial Hospital, Cleveland Pines Nursing Home, Cleveland Home Health Agency and CLECO Primary Care Network. This group works together to assure patients needing the health services are seen at the appropriate place along with the continuum of care.

I would like to thank you for your time. If you have any questions you may call my office at 704-487-3751.

Sincerely,

Peter Fortkort, MD Regional Health Services



Cleveland County HealthCare System

Carolinas HealthCare System

John Young, President CE()
Cleveland Regional Medical Center
Kings Mountain Hospital

July 24, 2007

DFS HEALTH PLANNING RECEIVED

Dr. Dan A. Myers, Chairperson North Carolina State Health Coordinating Council Medical Facilities Planning Section Division of Facility Services 2714 Mail Service Center Raleigh, NC 27699-2714

AUG 0 1 2007

Medical Facilities
Planning Section

Dear Dr. Myers:

It is with great pleasure that I write this letter in support of the pursuit of Hospice & Palliative Care Cleveland County to add four hospice inpatient beds in Cleveland County. Cleveland County Health Care System works closely with Hospice & Palliative Care Cleveland County and wholeheartedly supports their efforts to obtain additional inpatient beds in Cleveland County.

Hospice & Palliative Care Cleveland County has been offering their services in Cleveland County since the mid 1980s and inpatient services since 1996 at Wendover – The Kathleen Dover Hamrick Hospice House. This facility has five inpatient beds and nine residential beds, but still had to deny admission to 58 patients in 2006. Current census for the existing five inpatient beds has been running at or close to 100% occupancy for 2007 and exceeded 97% for both 2006 and 2005 so it is clear they have the demand to fill the beds identified in the plan. They provide services to approximately 40% of all people who die in Cleveland County. Area providers and the community at large highly respect the services they provide.

Hospice & Palliative Care Cleveland County is a partner in the HealthCare Enterprise, a unique collaboration which also includes Cleveland Regional Medical Center, Kings Mountain Hospital, Crawley Memorial Hospital, Cleveland Pines Nursing Center, Cleveland Home Health Agency and the CLECO Primary Care Network. This group works together to assure patients needing health services are seen at the appropriate place along the continuum of care.

With a Wendover waiting list averaging six patients a day, the addition of these inpatient beds will allow Hospice & Palliative Care Cleveland County to better serve patients in need. Therefore, I highly support their request to add four hospice inpatient beds in Cleveland County.

Sincerely,

John E. Young President and CEO

704-476-7402 - CRMC 704-730-5400 - KMH 704-476-7406 - Fax 201 East Grover Street * Shelby, NC 28150 john.voung@carolinashealthcare.org



Shem K. Blackley, III, MD Michael Brame, MD Robert P. Gossett, MD

Providing Complete Urologic Care for Men. Women and Children

July 20, 2007

Dr. Dan A. Myers, Chairperson North Carolina State Health Coordinating Council Medical Facilities Planning Section Division of Facility Services 2714 Mail Service Center Raleigh, N.C. 27699-2714 DFS HEATH PLANNING.
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AUG 1 2007

Medical Facilities Planning Section

Dear Dr. Meyers:

Since 1982, I have been a practicing physician in Cleveland County, North Carolina and have served Hospice & Palliative Care Cleveland County in many capacities since its inception in 1985. Currently I serve as a board member and I am obviously very concerned about the future of this organization and its ability to provide this community with an appropriate level and quality of service. I am asking your support for a "Special Need" petition to allow us to go forward with a CON application for the 4 beds that the state of North Carolina has determined will be needed in this county in 2008.

Those of us who live in this community are aware of the commitment and positive impact this organization has made to Cleveland County and the surrounding area. Our citizens are also becoming increasingly aware of how difficult it is to obtain admission to our inpatient facility. We simply do not have enough beds (currently 14 beds -- 5 inpatient and 9 residential) as evidenced by our 100% occupancy and the fact that we have been required to turn away 58 patients last year and 32 patients so far this year. Some of these were my patients, and I have personally witnessed and shared the anguish experienced by these individual patients and their families.

As you are probably aware, our complete range of services are made available to all citizens regardless of their ability to pay. Perhaps this helps explain why so many who donate to our local United Way designate gifts to this organization. It is one of the big reasons I am proud to be a member of this community. I ask for your help to help us continue to meet the needs and expectations of our citizenry.

Thank you for your consideration. I have complete confidence in the ability of our Executive Director, Myra McGinnis to elaborate on these facts. I am of course available to address any specific questions you may have about the issues I have put forth. You can reach me through my office or if you prefer my cell phone number is 704 418-2892.

Respectfully,

Robert P. Gossett M.D.

cc: Myra McGinnis

Cleveland Kome Kealth Agency, Inc.



105 T.R. Harris Drive Shelby, North Carolina 28150

Telephone (704) 487-5225 Admin. Fax (704) 484-9101 Clinical Fax (704) 484-9164

> DFS HEAlth Planning RECEIVED

July 20, 2007

AUS 0 1 2007

Dr. Dan A. Myers, Chairperson North Carolina State Health Coordinating Council Medical Facilities Planning Section Division of Facility Services 2714 Mail Service Center Raleigh, NC 27699-2714 Medical Facilities Planning Section

Dear Dr. Myers:

This letter is written in strong support for the Special Need Petition to the State of North Carolina for the Hospice and Palliative Care Cleveland County. As a nonprofit provider I can attest to the mission of Hospice & Palliative Care for providing services to Cleveland County patients without regard to financial or any other status. Hospice & Palliative Care Cleveland County has been offering end of life services since 1996 at Wendover. They expanded in 2004 due to high occupancy levels and the fact that many potential patients were on the waiting list at time of death. They had to turn away 58 patients in 2006 and since 2007 they have already had to turn away an additional 32 patients and it's only July. Hospice & Palliative Care currently provides services to approximately 40% of all people who die in Cleveland County. The consistent quality of healthcare that Wendover has provided to Cleveland County is also our mission. By approving this request for expansion they will be able to continue an excellent level of service in the community. Currently Hospice & Palliative Care is a partner is a unique collaboration with also includes Cleveland Home Health Agency, Cleveland Regional Medical Center, Kings Mountain Hospital, Crawley Memorial Hospital, Cleveland Pines Nursing Center, and CLECO Primary Care Network. We work together to assure patients needing health services are seen at the appropriate place along the continuum of care.

Cleveland Home Health Agency, Inc.



105 T.R. Harris Drive Shelby, North Carolina 28150

Telephone (704) 487-5225 Admin. Fax (704) 484-9101 Clinical Fax (704) 484-9164

This proposal targets critical needs in our county: the nursing facility shortage, the need to facilitate patients and quality initiatives in our agencies. This proposal will allow a more than qualified facility who desires are to serve the community, the opportunity to attain appropriate reimbursement. Additionally, they will have the availability to provide services to hospice patients awaiting placement at their facility.

Again, I strongly support this Special Need Petition.

Sincerely

Pete Moore

C.E.O. Cleveland Home Health Agency

105 T.R. Harris Drive Shelby North Carolina 28150 704-484-4408 www.clevelanghomehealth.org



July 22, 2007

Dr. Dan A. Myers, Chairperson North Carolina State Health Coordinating Council Medical Facilities Planning Section, Division of Facility Services 2714 Mail Service Center, Raleigh, NC 27699-2714 DES HEAltH Planning RECEIVED

AUG 0 1 2007

Medical Facilities Planning Section

Dear Dr. Myers:

I am writing you in support of the Special Needs Petition that Hospice and palliative Care Cleveland County is submitting regarding hospice inpatient bed needs for Cleveland County. Having worked in healthcare most of my adult life, I am very familiar with health planning efforts in North Carolina. In terms of health service need determinations, I have found that the State Health Plan and the State Facilities Medical Plan generally do a very good job of determining what is needed and where. And when the needs change, the plan changes, though, due to the nature of the planning process, this takes a bit of time.

Since coming to Cleveland County in 1983, I have been aware of Hospice as it began its services on an outpatient basis in the mid 1980's; I was privileged to serve on its initial Board of Directors. I later came back to serve on the Board, at a time when it was envisioning its inpatient and residential facility. Through my former role of Executive Vice president of the Cleveland County Health Care System. I was able to continue my affiliation with the organization through an unique collaborative effort called the Health Care Enterprise. In all of my roles of working for and with Hospice, I have found them to be a deeply caring, high quality and forward thinking organization.

As you know, the SMFP Draft for 2008 shows a hospice inpatient bed deficit for Cleveland County of four (4) beds; the county currently has five (5) inpatient and (9) residential beds, all of which are at Hospice and Palliative Care Cleveland County's "Wendover" facility. The facility began its inpatient operations in 1996 and was able to expand its bed capacity in 2004. The average census of these beds, particularly the inpatient beds, has always been strong and has been near or at 100% for the past three years.

I understand that normally, hospice inpatient beds are not made available for development until there is an identified need for six (6) new beds. In the case of new facilities, I think this makes perfect sense. But in this case, given that there are *only five* inpatient beds in Cleveland County today, and these only after an initial project and then an extension several years later, makes me believe that if four (4) beds will be needed in 2008, then it might make sense to consider making them available for development in 2008.

Here are some points I would argue for that consideration:

- The SMFP Draft notes a 2008 deficit of 4 inpatient beds.
- The census for Wendover for several years has been at or near 100%,

- An average census at this level means that some patients had to be denied treatment, a horrible situation for such an emotional service,
- Hospice and Palliative Care Cleveland County has been the only hospice provider in Cleveland County since 1985 and is exceptionally well recognized by the lay and clinical communities,
- The organization continues to grow and sees a very large percentage of patients who die in the county,
- The organization is well run, maintains high quality, is JCAHO accredited and has excellent finances for a not-for-profit organization
- In terms of rational health planning, it has proven that it can plan ahead for service needs and address them cost effectively, and finally,
- The organization has never turned away a patient for financial reasons; if beds have been available, patients and their loved ones have been welcomed.

I recognize that even if the committee agrees with the petition, there will still need to be a Certificate of Need application submitted. That, in turn means that the beds could not likely be put in service until late 2008 at the earliest. I wonder, given the high census that Wendover is seeing now, what might the bed need be a year from now?

And how many patients and their families in Cleveland County that need this wonderful service won't be able to get it?

Sometimes we forget that all the buildings, machines and services we deliberate about serve a common purpose....to care for human beings in their time of need.

Thank you for allowing me the opportunity to comment and voice my opinions.

Sincerely.

Mark Alan Hudson FACHE

President

Comments of Jay Rhodes

Medical Facilities

Regarding Special Needs Petition of Hospice & Palliative Care Cleveland County SHCC Public Hearing on July 25, 2007

Thank you for allowing me a few moments to speak to you today regarding the request of Hospice & Palliative Care Cleveland County for a "special needs" petition regarding additional inpatient beds for the 2008 State Medical Facilities Plan. I hope you will forgive me if I incorrectly use or don't fully understand all of the terms you have to use in this process. I am a lay person and a volunteer so this is not my "home court."

I think that others who will speak to you today and many who have written letters of support for us may be more eloquent in their language. I would simply like to speak to you as someone who believes in the concept of hospice and especially in the organization whose board I am honored to chair. I came to the board of Hospice & Palliative Care Cleveland County in 1995 for a very personal reason; my father had been a patient there. I served for a number of years and then rotated off and then was asked to serve again. I have had the opportunity to serve on the Strategic Planning Committee, and was chair of the Finance Committee and have served as Board Chairman twice during my years of service.

I share this not to brag, though I am proud of being able to serve, but to convey to you that I know a lot about this organization, its mission, its caring and its success. Since I joined the board, the organization has grown tremendously and has been able to maintain its standards of quality and compassion while meeting its financial obligations. I can tell you this organization is highly respected by both the clinical community and the community at large; it receives substantial contributions each year from individuals and families touched by its mission.

As a Board, we are connected to the mission of the organization; each month at our meetings, a staff member shares a story about a patient and family who has been touched by our hospice. Often, these stories move many of us to tears, both for the sadness of loss but also because of the remarkable dedication of our staff and of the human spirit we often witness. We KNOW that we are doing good work.

It is therefore frustrating to those of us who do not work within the healthcare system to understand all the rules and regulations that must be adhered to. It sometimes seems like Pandora's Box to us; whenever we want to do something that makes sense to us and will help our community, there are unexpected and difficult challenges that appear. These sometimes, on the face, seem unfair or misguided to those of us not familiar with your world.

But I have also seen this system work and believe in playing by the rules. And I strongly believe that when a rule doesn't make sense given the facts at hand, it should be appropriately and respectfully challenged. And that is what we are doing today.

As a lay person, this is what I know:

- We are the only hospice organization in Cleveland County,
- Our inpatient occupancy is at 100% and has been for some time now.
- The 2008 SMFP says our county will be short four inpatient beds in 2008 based upon utilization of our beds in the past,
- We have had to turn away patients and families in substantial numbers because beds are not available.
- If the beds were available for development in 2008, and if awarded them
 through a CON, we would be in a position to financially and economically
 add them AND MOST IMPORTANTLY, care for the people who need our
 services.

Given these "facts," it seems to be a reasonable request to ask that you carefully consider our request to make the four inpatient beds, which the State clearly thinks are needed, available for development in 2008.

In closing, I earlier made a reference to the mythological "Pandora's Box." I think it is interesting that the last thing to come out of that box was "hope." Our hope is that our information is compelling enough so that a "special need" is recognized for this very special type of care in our county.

Thank you very much for allowing me this time and for your attention.

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Comments of Becky Cook

Medical Facilities

Regarding Special Needs Petition of Hospice & Palliative Care Cleveland County

SHCC Public Hearing on July 25, 2007

My name is Becky Cook. I am a hospice patient/family volunteer; but my experience with Hospice & Palliative Care Cleveland County has also included three family members as patients. My mother-in-law, Mildred, was at Wendover for her last 48 hours. My husband, Ken, died at home with hospice care. Most recently, my daughter, Terrie, was a patient.

Terrie was born with problems and developed many others over time. Ken and I kept her at home until she was 38 years old. After Ken died, it became impossible for me to care for her at home so I had to place Terrie in a group home. For four years, this worked out well.

Eventually, her physical condition got so bad that we were asked to make plans to leave. After many prayers and many sleepless nights, a friend asked if I had read about Hospice adding new beds at their facility, Wendover.

I didn't want to believe that Terrie was actually hospice appropriate; however, I called the executive director, asked a few questions, and got the information I needed. At that time, Wendover had no beds available so Terrie was put on the waiting list.

A homecare team from hospice began seeing her at the group home. Through their care, experience, and observations, the team realized that Terrie's problems were much worse than the workers at the group home were telling me and helped me begin to face the reality that Terrie's health really was declining. Even though I was in denial about how bad Terrie was, if she was terminally ill, I knew her care at Wendover would be so much better than what she would receive in a nursing home. The patient/staff ratio – alone—would be so much better. My only hope was for a bed to become available soon.

On April 12th, 2004. Terrie was moved to Wendover. She was blind. She was unable to communicate in any way. She had no use of her arms, her hands, or her legs. She had no control over any bodily functions. Terrie was a new experience for most of the Wendover staff so I became their educator.

The entire staff – everyone involved – worked so hard to give her everything she needed to be comfortable. I was finally at peace knowing that she had hospice care 24 hours a day.

When the Wendover nurse told me that Terrie's days were numbered, I moved into Wendover with her. On June 15th, just two months and three days after Terrie moved into Wendover, she took her last breath, surrounded by loving, caring people.

Death isn't something any of us look forward to; however, it is a certainty for all of us. There is such a need for places like Wendover. Places where people can die with peace and dignity. Places where family members can be assured that their dying loved ones are getting excellent love and care.

Wendover always has a waiting list. I remember what it was like having Terrie's name on that waiting list. I pray for the patients and their family members who are waiting now . . .

Thank you.

AUS 0 1 2007

Comments of Myra McGinnis

Medical Facilities

Regarding Special Needs Petition of Hospice & Palliative Care Clevelland Country

SHCC Public Hearing on July 25, 2007

Good afternoon. I am Myra McGinnis, Executive Director of Hospice & Palliative Care Cleveland County. I am here today on behalf of our petition for a special need adjustment of four additional hospice inpatient beds in Cleveland County, which appear in the Proposed 2008 State Medical Facilities Plan as a deficit of four beds in Cleveland County. Since 1996. Hospice & Palliative Care Cleveland County has operated Wendover—*The Kathleen Dover Hamrick Hospice House*, a combination facility currently with five inpatient beds and nine residential beds. The facility has been very successful, as evidenced by our occupancy rate for inpatient beds, which was 100 percent in 2005 and 99.9 percent in 2006. So far in 2007, our occupancy has averaged 100 percent.

Unfortunately, the success with which our facility has been incorporated into the community's health care system and the limited number of inpatient beds have combined to create demand that we cannot meet. Last year, we were forced to turn away 58 patients who needed to be admitted to our facility, but who were denied admission because no bed was available. On any given day, we have a waiting list averaging six or more patients who need admission to the inpatient facility, but

without more beds, we cannot provide services to these patients in the most appropriate setting. The result is that patients and families do not get the optimal care they need and often encounter unnecessary stress at the worst possible time.

The current standard hospice inpatient bed need methodology requires a minimum need of six beds before allocating beds to a single county. There is no provision, however, for an existing facility operating at near 100 percent occupancy to gain additional capacity. Presumably, under the current standard methodology, we would be required to wait until the deficit reaches six beds before we could expand our facility. Given the number of patients we are already turning away, we believe that alternative is not acceptable.

We are asking that you simply acknowledge what the standard need methodology indicates—that there is a need for four additional hospice inpatient beds in Cleveland County—and allocate these four beds to the State Medical Facilities Plan now. We believe this request is supported by circumstances that do not exist elsewhere in the state, which include:

- 1. A hospice inpatient facility already exists in Cleveland County;
- 2. The existing facility is consistently operating at 100 percent occupancy;

- 3. Local hospitals and physicians recognize and support our facility as the standard for end-of-life care in our community;
- 4. The lack of available beds has led to a waiting list and to patients being denied access to our specialized care.

We believe these factors give rise to the need for a special adjustment of the four additional hospice inpatient beds—which the current methodology shows are needed now in Cleveland County. This special adjustment will allow us to continue providing high quality hospice inpatient care to all in need.

Thank you for your consideration of our request.

Petition Inpatient Hospice – 2 Received Regarding Proposed 2008 State Medical Facilities Plan

Attached are:

- 1. Petition from Hospice and Palliative Care (Forsyth County)
- 2. Comments received at various Public Hearings. (Note: the comment submitted at the Greensboro hearing is not included as it appears to be a duplicate of the comment received at the Asheville hearing.
- 3. Additional material received including letters from the petitioner, support letters provided by the petitioner and a letter opposing the petition.



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August 3, 2007

Mr. Floyd Cogley, Planner Medical Facilities Planning Section Division of Facility Services 2714 Mail Service Center Raleigh, NC 27699-2714 OFS HEALTH PLANSING RECEIVED

Medical Facilities Planning Section

Re: Hospice & Palliative Care Center Petition to adjust the 2008 State Medical Facilities Plan Need Determination for Hospice Beds in Forsyth County

Dear Mr. Cogley:

Hospice & Palliative Care Center (HPCC) respectfully submits the attached petition for a need adjustment for ten (10) additional hospice inpatient beds and ten (10) additional hospice residential beds in Forsyth County.

As the attached petition will discuss in detail, HPCC supports the existing methodology for hospice beds. However, HPCC serves patients from a metropolitan service area that includes patients from many counties and the existing methodology's county based service area does not address the need for hospice services at our facility. The proposed beds in the petition can be added without capital cost to the health care system and will assist us in meeting the immet demand that we are already experiencing.

This petition is the result of years of thoughtful planning involving leaders in our area and comes with the full support of area health care leaders.

Please do not hesitate to contact me for additional information. I look forward to the opportunity to support this petition further during the review process.

Sincerely,

ToAnn Davis

President and CEO

Jan Davis

Serving 13 countries from + offices & Kate B. Reynolds Hospice Home

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Hospice & Palliative Care Center Petition to the State Health Coordinating Council to adjust the 2008 State Medical Facilities Plan Need Determination for Hospice Beds for Forsyth County

Executive Summary

<u>Petition:</u> Adjustment for ten (10) additional hospice inpatient beds and ten (10) additional hospice residential beds in Forsyth County

Current I	oed <u>comp</u> le <u>ment:</u>	Needed bed complement:
20 Hospic	e IP Beds	30 Hospice IP Beds
10 Hospic	e Residential Beds	20 Hospice Residential Beds
Scenario 1 Scenario 2	l: Number Patients Demed .	d by county 25 Hospice IP Beds Access*ALOS 34 Hospice IP Beds Residential 20 Hospice Residential Beds
Rationale		
Access	•) patients who were candidates for the Kate B. Reynolds while waiting for a bed
	In 2006, on 367 dayHospice IP occupan	es, more than one person occupied a Hospice IP room ey rate is currently 104-110% and residential is 93% resyth County are operating near capacity and there is a
	198 bed deficit of m	arsing home beds in Forsyth County
Cost	The proposed bedsNo cost to the health	will save \$14 million annually in medical costs in care system:
		tient beds can be added at zero cost ial beds will be funded by a capital campaign
Quality		h a multidisciplinary team of full-time medical directors, and paramedical professionals
		ontinuum of end-of-life services to patients and their ly valued by the specialists in Winston-Salem that lients to HPCC
		have a longer lifespan than patients treated in a hospital
- Arlverse et	flects to service area if not	annroyed:

Adverse effects to service area if not approved:

- At least \$14 million in medical costs will be incurred annually as patients are admitted to hospitals rather than hospice inpatient beds
- 268 Medicare, 21 Medicaid, 14 Indigent-Self-Pay and 41 Commercial (344 total) patients annually will not have access to hospice services each year

Not Duplicative:

- HPCC asks for these beds in order to maintain the level of service *presently demanded* by residents and physicians of Forsyth and contiguous counties.
- HPCC will continue to complement rather than compete with the services available in the counties contiguous to Forsyth

Petition and Rationale

Petition |

Hospice & Palliative Care Center (HPCC) hereby petitions the State Health Coordinating Council (SHCC) to adjust the 2008 State Medical Facilities Plan to allow for a regional adjustment for ten (10) additional hospice inpatient beds and ten (10) additional hospice residential beds in Forsyth County.

Identification of Petitioner

HPCC is a comprehensive center that provides support, guidance, palliative and hospice care to patients and their loved ones on every step of the path from serious illness to end-of-life care. HPCC, founded in 1979, was the first hospice in North Carolina. Since our beginning, our philosophy has been that when Hospice care is appropriate and desired by the patient and family, it is the most cost-efficient setting for end-of-life care. HPCC has grown to four offices located in Winston-Salem, Mocksville, Walnut Cove, and Salisbury to serve patients and their families from 13 counties. The hospice inpatient and hospice residential beds at the Kate B. Reynolds (KBR) Hospice Home in Forsyth County will be the focus of this petition.

One of the most unique aspects of HPCC in Forsyth County is that it operates as a freestanding entity with the full support of the hospitals and nursing homes in Forsyth County. Both of the hospitals in Forsyth County are major regional referral centers offering tertiary and quaternary services. HPCC acts in a similar manner, offering a full spectrum of end-of-life services and providing advanced levels of clinical staffing. The patients that are referred to HPCC are referred by their physicians because HPCC offers the full spectrum of services and the level of service makes HPCC the most suitable provider for the patients. Further, we have long established referral relationships with both the Baptist and Novant systems and both recognize that HPCC is the most appropriate provider for patients who have been treated in either system.

The senior management leaders from both general acute care hospitals sit on the board and both hospitals provide support for the HPCC and have been long time advocates for our services. Please reference Exhibit 1 for evidence of that support in the form of letters of support from leaders of each hospital in Forsyth County.

HPCC is currently licensed for twenty (20) hospice inpatient beds at its Kate B. Reynolds Hospice Home and ten (10) hospice residential beds. All thirty (30) beds are built to the hospice inpatient standards and are located in facilities that are physically connected. In addition to onsite hospice care, hospice home care and palliative home health services are provided. HPCC also staffs specialized teams dedicated to serving the unique needs of pediatric and long-term care populations. The community is offered education and counseling in the grief center and through a lending library. Palliative care consults are also provided. HPCC considers the needs of the entire family in addition to the patient needs. All services are available to the whole family.

HPCC has four full-time medical directors, one fellow and two nurse practitioners. In addition, there are 64 registered nurses, 23 licensed practical nurses and 53 nurse assistants on staff. It is important to note, HPCC has a depth of clinical resources skilled in end-of-life clinical care. In most cases, the only element that prevents us from providing hospice care to more than twenty. Hospice & Palliative Care Center

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Forsyth County

Petition to 2008 SMFP

inpatients and ten residential hospice patients at our facility at any given time is the actual beense for beds

HPCC is dedicated to the education of climerans. All 3rd year medical residents at Wake Forest University School of Medicine spend 68 hours rotating through HPCC. Medical fellows also spend time in Hospice. Nursing, social work and other climical staff are also trained at HPCC.

HPCC is proud of the trust the community places in its ability to provide services at the end-of-life. The community support is evident by the fact that so many patients and their families work with their physician to seek hospice at HPCC. In addition, the community's financial support is an example of how much the community values the HPCC. In 2006, the community provided \$1.8 million in support. During the 2006 Umted Way campaign, 1,750 individuals in Forsyth County alone designated HPCC as their agency of choice.

It is the physicians who ultimately ensure the success of the HPCC as all hospice requires a physician referral. In 2006, the Kate B. Reynolds Hospice Home in Forsyth County received 722 referrals (including 316 that could not be accepted due to capacity constraints).

Reasons for the Proposed Adjustment

The state has developed methodology to project the need for hospice inpatient beds across the state, and we support this methodology. However, the situation in Forsyth County poses a unique challenge because the demand for hospice has pushed the existing facility beyond capacity. The central reason that the state methodology does not recognize the need soon enough for Forsyth County is the fact that HPCC in Forsyth County serves patients from a metropolitan service area that includes patients from many of the outlying counties. The SHCC methodology recognizes each of the 100 counties as a separate service area. In practice, HPCC in Forsyth County serves a 13 county service area and 29% of our hospice inpatient and 22% of our hospice residential patients' homes are outside of Forsyth County. (2007 License Renewal Application)

As the volume of demand for hospice at HPCC continues to grow, we find ourselves increasingly operating above capacity. When all of the current hospice inpatient and hospice residential beds are full, HPCC finds itself in the unpleasant position of reducing or restricting access. As a result, we are concerned that without the additional requested beds, we will not be able to continue to offer potential patients the most cost-efficient setting for end-of-life care.

The HPCC in Forsyth County has developed two alternative scenarios to support the additional need for hospice inpatient beds. They are provided in Exhibit 2 and are summarized as follows:

Scenario 1: Adjusts the 2012 SMFP need for each of the counties where HPCC has
historically drawn patients by applying the percentage of patient origin for those counties to
the SMFP need determination. It is important to note that HPCC does not suggest that those
counties should have their need determinations reduced; rather we ask that in this special
need determination, the reality that we draw patients from more than Forsyth County be
acknowledged to allow us to develop additional beds. This adjustment results in the need
for 25 hospice inpatient beds.

Scenario 2: Converts the historical number of patients on the waiting list that were never
admitted to HPCC in Forsyth County to days of care using the historical average length of
stay. This demand can then be added to the projected patient days of 5,433 for 2012 in the
SMFP and then divided by the 85% occupancy rate. When this methodology was averaged
over the past two years, the adjustment results in the need for 31 hospice inpatient beds

Based on the results of both of these scenarios, HPCC is requesting 10 more inpatient hospice beds for a total of 30 hospice inpatient beds.

While Hospice residential does not have an official SMFP need methodology, we have historically offered a 2:1 ratio of hospice inpatient:hospice residential beds. With our planning for the proposed petition, we project that a ratio of 1.5:1 hospice inpatient:hospice residential beds will allow us to serve our future patients in a cost effective manner. The 1.5:1 ratio is consistent with the statewide ratio of hospice inpatient beds:hospice residential beds of 1.54 (273 approved and pending hospice inpatient:177 approved and pending hospice residential on pages 286 and 287 respectively of the 2008 Draft SMFP). Following the 1.5:1 ratio results in the need for 20 hospice residential beds.

It is important to note that Medicare's respite benefit requires that care be provided in a licensed bed. The hospice residential beds are the most cost-effective location for respite patients, however when we run at near 100% capacity, respite patient opportunities are often limited. The proposed additional residential beds will assist HPCC to continue to offer residential as well as respite services to the community.

Access to Hospice Services for New Patients is Impaired when Operating at 100% Occupancy

In addition to the information provided in Exhibit 2 and described above, the following data provides evidence of the need for additional hospice inpatient and hospice residential beds:

- In 2006, at least 269 patients died while waiting for a bed at the Kate B. Reynolds Hospice Home.
- The occupancy rate of hospice inpatient beds was 106% in the first four months of 2007 and 104% in 2006. In two of the last five months, the occupancy rate has been 110%. Reference Exhibit 3 for occupancy by month.
- The occupancy rate of hospice residential beds was 93% in the first four months of 2007 and 78% in 2006. In one of the past five months, the occupancy rate was 100%. Reference Exhibit 3 for occupancy by month
- The occupancy rates greater than 100% underscore a critical strain on the capacity of hospice beds. The days in excess of 100% are only possible because multiple patients were in the same room on the same day. This is a quality indicator of a missed opportunity to offer a patient and their family more time in hospice. There were 367 days in 2006 and 156 days year to date in 2007 (through May) when more than one patient used the same bed on the same day.
- The average length of stay for hospice inpatients has been 12 in the past two years. The same figures for hospice residential were 53.43 days in 2006 and 38.9 days from Jan-May 2007. In Hospice, a dechning length of stay may not be a positive result, but rather may indicate constraints on access. Some studies of physicians beliefs about hospice have shown.

- that physicians believe patients should ideally receive hospice care for 3 months before death.(1)
- The vast majority of HPCC patients are from medically underserved populations. Medicare patients make up 78% and Medicaid 6% of the payer mix. Indigent and self-pay consists of an additional 4% of patients. The Medicaid and indigent percentages are understated as Medicare does not allow HPCC to bill for secondary payers such as Medicaid. The 78% Medicare therefore includes dual eligibles (patients with both Medicare and Medicaid) and some financially indigent patients. It is important to note that no patient is ever defined service based on their prognosis, diagnosis or ability to pay for HPCC services.
- The State methodology does not consider the growing undocumented immigrant population.
 Forsyth County has one of the fastest growing populations of undocumented immigrant
 residents in the State of North Carolina. As these residents remain as long-term residents,
 they may need Hospice services. In 2006, HPCC in Forsyth County had 49 patients that
 were undocumented immigrant residents, mostly young children.
- The pediatric daily census has been climbing significantly since September of 2006 and has
 nearly doubled year to date 2007. When the hospice impatient and hospice residential beds
 are full, we are concerned that we may not be able to continue to serve this important
 population and their families.
- As other providers in Forsyth County face capacity constraints, the demand for hospice is directly impacted. According to the 2007 State Medical Facilities Plan, North Carolina Baptist Hospital is operating at 73% capacity and Forsyth Medical Center is operating at 87% capacity. Both of these rates are based on historical information and do not consider additional capacity limiting factors such as specialty units, infectious control and gender Further, there is a 198 bed deficit of nursing home beds in Forsyth County.
- The population over 65 in Forsyth County is expected to grow 12% in the next five years.
- HPCC recognizes that other hospice beds have recently been approved in Surry (13) and Davidson (9) that will partially address the future demand for hospice services in those counties. However, HPCC does not expect these additional beds to impact its Instorical service share of 12.4% Surry and 17.4% Davidson in those counties. As discussed above, HPCC is unique with its full spectrum of services and will continue to experience demand from these counties for patients as they transfer from the two referral medical centers.

When the hospice inpatient beds operate in excess of 100%, the HPCC is faced with a number of simultaneous challenges that impair its ability to grant access to all of the patients that seek hospice services. First, when the hospice inpatient beds are full, new referrals cannot be accepted from area hospitals. Second, existing patients in hospice residential beds whose condition worsens cannot be converted to hospice inpatient care due to the licensing requirement. This is true even though the hospice residential patient may be in a bed that is built to a hospice inpatient standard. HPCC typically offers the higher level of medical care to the patient but is not able to seek additional reimbursement because the bed is not licensed as a hospice inpatient.

The demand for end-of-life services is a natural process. At any given time, a proportion of the population is facing the need for end-of-life services. At the point at which a patient is a

⁴ Table SA from SMFP, NCBH 197.023 Days 365 Days 738 Beds, 73 ft⁶a, FMC 202.374 Days 365 Days 637 Beds, 87 0%

Population Projection by Age Group Tables, North Carolina State Demographer, www.demog.state.nc.us. accessed hine 19, 2007, 2012 estimate of 47,292, 2007 estimate of 42,244

candidate for end-of-life services, they are going to seek treatment wherever it is available. When Hospice is not available, patients will seek treatment in a hospital or nursing home. At HPCC, we operate under the premise that when Hospice care is appropriate for a patient, hospice is the most cost-efficient setting for that care.

During periods where the hospice inpatient beds are full and hospice residential patients who require hospice inpatient care cannot be transferred, a subsequent access challenge is created for incoming hospice home care patients. Patients that are already in our hospice home care service who are in crisis (their condition reaches a point where they cannot safely be cared for in the home setting) can be denied admission to hospice inpatient when the beds are full.

Because of the high rate of hospice utilization, HPCC has been forced to contract with the palliative care units of area hospitals to house hospice patients that cannot be transferred to HPCC of Forsyth because of capacity challenges. In these cases, the patient is discharged from the hospital and admitted to HPCC but remains in the palliative care unit of the hospital. While these palliative care units are staffed with appropriate clinical resources, the patient and families are not afforded access to the positive physical environment and resources that are located on the HPCC campus. Further, as both hospitals continue to be challenged with inpatient bed capacity of their own, their ability to offer this arrangement is increasingly impaired.

Offering the Highest Quality of End-of-life Care to all the Potential Patients is Not Possible without additional Beds

There is growing emphasis for end-of-life care by the public health community as well as payers. The gap between the potential for hospice care among patients approaching end-of-life and actual referrals to hospice continues to be studied. One large study of Medicare beneficiaries found that of 260,000 Medicare beneficiaries with cancer as first diagnosis, only 21.1% of patients received hospice care before death.(2). According to 2005 data reported by the Carolinas Center for Hospice and End of Life Care, 36.97% of Forsyth deaths are served by hospice. We are proud of the fact that the rate in Forsyth is 10th highest in the state and highest by far among the other metropolitan counties such as, Mecklenburg (33^{td}), Wake (14th), Guilford (48th), Durham (31st). Buncombe (24th) and New Hanover (12th). The North Carolina average is 28.14%. However, we recognize that the opportunity to serve even more patients who are candidates for hospice continues. As more patients are served by Medicare Advantage plans, and Medicare continues its emphasis on hospice as an end-of-life treatment option, we anticipate increased demand for hospice services.

In addition to the improved atmosphere and quality of life for patients during the end-of-life phase, a recent retrospective analysis just published in the Journal of Pain and Symptom Management found that mean survival was 29 days longer for hospice patients than for nonhospice patients.(3) The study reviewed records from 4493 Medicare beneficiaries who had one of five types of cancer or congestive heart failure. The study authors hypothesize that the reasons for longer survival could be 1) patients are forgoing aggressive cure directed therapy and associated mortality, 2) Medicare's hospice benefit allows additional medications and 3) the psychosocial supports in the hospice setting may prolong life.

We believe quality health care is the direct result of staff competencies and training and are committed to the continuing education and certification of our employees. All of the physicians on the HPCC team are Board certified in Hospice & Palhative Medicine and many of our nurses and Hospice & Palhative Care Center

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nurse assistants are certified with national certification in hospice and palliative care. In addition, all of our grief counselors are Masters-level prepared and have national certifications. Five of our employees are accredited with community disaster response.

The HPCC staffs both its hospice inpatient and hospice residential beds with a 24 hour multidisciplinary team. A physician is available on-call to respond to the needs of patients and engage in joint planning with the primary care physician. Since these staff are already in place, we can offer hospice inpatient services to all 30 beds if we were licensed for 30 hospice inpatient beds. Only a moderate amount of incremental operational chinical staff would be required to increase from 10 to 20 hospice residential beds. Without the additional beds, our services are capped at 30 total beds and other potential patients will have to be denied access in the future, not because we don't have the clinical competency and staffing in place but solely because of a licensing restriction.

The HPCC is accredited by the Accreditation Commission of Health Care. The HPCC is the recipient of numerous national awards including the Circle of Life Award, presented by the American Hospital Association, the American Association of Homes and Services for the Aging, and the American Medical Association, the "End-of-life Care Leadership Award" presented by the Carolinas Center of Hospice and End-of-life Care, and the Joel A. Weston, Jr. Memorial Award recognizing excellence in nonprofit management.

The Cost Efficiency of End-of-life Care to the Community is Suboptimal in Absence of Additional Beds

Studies of hospice care in the clinical literature are increasingly recognizing hospice is a more cost-effective setting than an inpatient hospital for end-of-life care. In a recent retrospective review of patients who expired with ovarian cancer, the cost of care was much lower in the hospice group at \$15,164 per patient as compared to \$59,319 per patient in the non hospice group.(4) A study comparing deaths of Medicare beneficiaries in Massachusetts and California to determine how hospice affects the expenditures for the last year of life, found that among patients with cancer, expenditures were 13% to 20% lower for those in hospice. (5). Another study reviewing the opportunities for cost savings in an optimum model of coordinated, expert, high-volume care (including hospice, palliative care and early use of advance directives) end-of-life hospitalization can be prevented with cost savings as much as 70%6.(6)

At HPCC the daily charges to Medicare and private payers is \$600 per day for hospice inpatient and \$140 for hospice residential patients. These costs can be several thousand dollars lower than the costs patients might incur if they remained in inpatient acute care or a nursing home. The last few days of care for patients that die in an inpatient hospital or a nursing home are widely acknowledged to be the most costly days of the patients' admission.

If all of the patients on our waiting list continue to seek care in the hospitals in Forsyth County, the potential cost to the health care system is \$14 million. This estimation was calculated by converting the average of the last two year's waiting list, 344 patients, to potential patient days of 4.128. We then calculated the difference in cost of care \$4,000 (average cost per patient day based on recent CON applications in Forsyth County) less the \$600 hospice reimbursement. \$3,400. This amount was multiplied by the 4,128 patient days resulting in an annual excess cost of \$14,035,200. See Exhibit 4 for the detailed calculation.

Though HPCC has been able to establish contracts with local hospitals to place patients in the palhative care units when all of the twenty (20) licensed beds are full, these relationships are not as cost-efficient as care on the main campus. Even with agreeable terms with the local hospitals, the contract requires that clinical staff travel between sites to manage the patient's care which unnecessarily increases staffing costs.

As previously discussed, all of the current ten (10) hospice residential beds are built to the hospice standards so they can be converted to hospice inpatient without any additional capital expenditure. If this petition is approved and HPCC submits a successful CON application, next year, a new twenty (20) bed hospice residential facility would be built on the current campus in Winston-Salem. The costs of the new center would be funded by a capital campaign.

Adverse Effects on the Population If the Adjustment is Not Made

Without the requested additional hospice inpatient and hospice residential beds, patients who are at the end-of-life who have made the hard choice of moving into hospice may continue to be placed on a waiting list, or worse, denied access to KBR.

Patients who are without any other support system to experience death with dignity in the home will not be afforded the opportunity at KBR. Patients who are economically disadvantaged that cannot afford alternative settings to KBR may be forced to seek care in a hospital or nursing home and incur costs that far outweigh the patient's resources. A projected 268 Medicare, 21 Medicaid, 14 Indigent/Self-Pay and 41 Commercial patients annually will not have access to hospice services each year.

KBR will be forced to continue to operate at levels over capacity, which will undermine our ability to provide the level of attention to each patient and family member deserves as we spend more of our time managing the patient turnover to free up additional beds.

The costs to the community for the patients that remain on the waiting list will continue to be \$14 million or higher as patients will continue to be defined immediate access to the lower cost hospice setting. In addition, the operating costs will continue to escalate and cost mefficiencies will continue for HPCC as we attempt to manage patients in multiple settings (including the hospital based units) and we have to staff overtime to meet the demands of operating a unit at more than 100% capacity. Further, without the additional hospice residential beds, fewer patients will be offered the alternative of the lower cost hospice residential setting.

Finally, patients will not be afforded access to the recognized quality services of HPCC. HPCC staff will be increasingly challenged to perform the continuous quality improvement efforts when they are facing capacity overload in the patient care arena.

No Feasible Alternatives

HPCC considered several alternatives including: 1) status quo, 2) referring patients to hospice programs in the service area and 3) this petition.

The Status Quo is not acceptable to HPCC because access will continue to be denied to patients and their providers who are reaching out for our services at the time of greatest need for the Hospice & Palliative Care Center Page 8 of 12 Forsyth County Petition to 2008 SMFP

patient. The Status Quo means as many as 316 patients may be left on the waiting list again this year and perhaps more in the future. Even our temporary efforts to place patients on Palliative Care units at Forsyth Medical Center (FMC) or North Carolina Baptist Hospital (NCBH) are less than ideal for the patient, as those units while as pleasant as they can be are no match for our comfortable setting at KBR. Patients who are placed in the hospitals under a contract with HPCC are often too close to the opportunity for additional procedures that they would likely not consider if they had been placed directly in a hospice setting. Further, the status quo means staff and patients who do have access will continue to experience a center that is operating over capacity.

Referring patients to other hospice programs in the region may seem like a reasonable alternative when reviewing the SMFP. However, referring patients to counties other than Forsyth, even when the patient is not from Forsyth is not practical. Most of the patients that we receive from other counties have been referred to HPCC because they have already come to Winston-Salem for treatment at one of the referral medical centers. As noted earlier, once patients have received care in the Baptist or Forsyth/Novant networks, they are very inclined to continue their final care with HPCC as we have established referral relationships and a reputation for a full spectrum of end-of-life services with both health systems. When the patient makes the choice for Hospice, they often want to remain in care that is delivered in collaboration with their specialist who is usually based in Winston-Salem. Further, the hospice programs in neighboring counties are dedicated to serving the needs of their own local populations and referral sources.

This petition is the only alternative that will allow HPCC to meet the current and future demand for high quality Hospice & Palliative Care services in a cost-effective manner.

The Requested Adjustment Will Not Unnecessarily Duplicate Health Services

HPCC is the only regional hospice program in the area and the oldest hospice program in North Carolina. Other local hospice programs in our service area can continue to meet the needs of their populations and most will remain well utilized even if we are granted the opportunity for additional hospice inpatient and hospice residential beds.

The proportion of patients we expect to serve in 2011 by Hospice & Palliative Care Center in contiguous counties to Forsyth where there are other providers is fairly modest (see Exhibit 2 for calculation): Davidson (21.6% 49 patients), Guilford (0.8% 6 patients), Rockingham (1.6% 2 patients), Stokes (35.5% 38 patients), Surry (1.9% 9 patients) and Yadkin (32.5% 17 patients). Note that Davie (79.3% 54) is higher but there are no other hospice providers serving a significant proportion of Davie County. These modest figures underscore the fact that HPCC is proposing to serve its existing referral base with the proposed beds.

HPCC is the only hospice program in the State and one of the few in the United States that enjoys the complete support of both area regional referral centers. We are also the only hospice program in Western North Carolina affiliated with a children's hospital.

We are confident that we can continue to work with other providers in the service area to complement rather than duplicate services. Our review of the SMFP and the demographic shifts that the area is facing, and the growing awareness by the provider, payer and patient communities and focus on hospice as a desired end-of-life option will continue to provide a growing patient population to serve in the future.

Hospice & Palliative Care Center Forsyth County

Page 9 of 12 Petition to 2008 SMFP

Conclusion

For all the foregoing reasons, we strongly encourage the SHCC to consider carefully the petition presented by HPCC and determine there is a need for ten (10) additional hospice impatient beds and ten (10) additional hospice residential beds in Forsyth County.

Respectfully submitted this 3rd day of August 2007.

Hospice & Palliative Care Center

By: JoAnn Davis

101 Hospice Lane

Winston-Salem, NC 27103 Telephone: (336) 768-3972

Exhibits:

- 1. Letters of Support
- Adjusted Need Scenario Projections
 Historical Occupancy Rate 2006 & Year to Date 2007
 Adverse Impact Calculation

Reference List

- (1) I amont FB, Christakis NA. Physician factors in the timing of cancer patient referral to hospice palliative care. Cancer, 2002;94;2733-37.
- (2) McCarthy EP, Burns RB, Ngo-Metzger Q, Davis RB, Phillips RS, Hospice use among Medicare managed care and fee-for-service patients dying with cancer, JAMA, 2003;289;2238-45.
- (3) Connor SR, Pyenson B, Fitch K, Spence C, Iwasaki K. Comparing hospice and nonhospice patient survival among patients who die within a three-year window. J Pain Symptom Manage. 2007;33:238-46.
- (4) Lewin SN, Buttin BM, Powell MA, Gibb RK, Rader JS. Mutch DG et al. Resource utilization for ovarian cancer patients at the end-of-life; how much is too much? Gynecol Oncol. 2005;99:261-66.
- (5) Emanuel EJ, Ash A, Yu W, Gazelle G, Levinsky NG, Saynina O et al. Managed care, hospice use, site of death, and medical expenditures in the last year of life. Arch Intern Med. 2002;162:1722-28.
- (6) Payne SK, Coyne P, Smith TJ. The health economics of palliative care. Oncology (Williston Park), 2002;16:801-8.

Forsyth MEDICAL CENTER

Bornell College Brown Law McKery

July 30, 2007

Mr. Floyd Cogley, Planner Medical Facilities Planning Section Division of Facility Services 2714 Mail Center Raleigh, NC 27699

Re: Hospice & Palliative CareCenter Petition to the 2008 State Medical Facilities Plan for an additional term (40) hospice impatient and ten (10) hospice residential beds.

Dear Mr. Cogley:

The purpose of this letter is to provide support for the proposed Hospice & Palliative CareCenter (HPCC) Petition to the 2008 State Medical Facilities Plan (SMFP) for an additional ten (10) hospice impatient and ten (10) hospice residential beds. Forsyth Medical Center (FMC) works very closely with HPCC to place appropriate patients that are in need of hospice services. Our leaders provide advisory leadership and our staff work directly with the staff of HPCC to continuously improve the transition of care settings for patients and their families.

As you may be aware, HPCC is currently operating at 106% on its hospice inpatient beds and 93% on its residential beds so far this year. This is well above the SMFP occupancy assumption of 85%. When the occupancy rates are pushed this high on a consistent basis, the need for additional capacity is apparent. The current capacity challenges at Kate B. Reynolds (KBR) Hospice Home directly impact FMC and our efforts to ensure all appropriate patients have access to KBR. Patients at FMC that desire a transfer to the KBR setting are sometimes delayed or even denied admission because there are not enough licensed beds. This is especially frustrating to our clinical teams when they realize that the strong quality clinical resources are in place at KBR but they are not available simply because of a licensing issue

FMC is a regional provider of comprehensive clinical services and we often see patients that are referred to this area due to the complexity of their condition. In the event that these patients are appropriate candidates for hospice, they often want to be referred to HPCC because of the services provided and the skill level of the staff. I am hopeful that you will provide a positive review of the HPCC petition and grant the requested adjusted need determination for the 2008 SMFP so that more patients who wish to seek HPCC services will be provided access.

Please accept this letter as an indication that FMC is in full support for the petition for HPCC for additional hospice inpatient and residential beds. Thank you in advance for your consideration. Please do not hesitate to contact me for further information or support of this important endeavor.

Sincerely,

Sallye Liner,

COO, Forsyth Medical Center

Wake Forest University Baptist MEDICAL CENTER

July 30, 2007

Mr. Floyd Cogley, Planner Medical Facilities Planning Section Division of Facility Services 2714 Mail Center Raleigh, NC 27699

Re: Hospice & Palliative CareCenter Petition to the 2008 State Medical Facilities Plan for an additional ten (10) hospice inpatient and ten (10) hospice residential beds

Dear Mr. Cogley:

The purpose of this letter is to provide support for the proposed Hospice & Palliative CareCenter (HPCC) Petition to the 2008 State Medical Facilities Plan (SMFP) for an additional ten (10) hospice inpatient and ten (10) hospice residential beds. North Carolina Baptist Hospital (NCBH) works very closely with HPCC to place appropriate patients in need of hospice services. Our leaders provide advisory leadership and our staff work directly with the staff of HPCC to continuously improve the transition of care settings for patients and their families.

As you may be aware, HPCC is currently operating at 106% on its hospice inpatient beds and 93% on its residential beds. This is well above the SMFP occupancy assumption of 85%. When occupancy rates are pushed this high on a consistent basis, the need for additional capacity is apparent. At NCBH, we continue to face sustained demand for our own inpatient beds. When HPCC finds itself at or over capacity, the strain is felt in our area's entire health care system. Patients ready to leave NCBH for Kate B. Reynolds (KBR) Hospice Home must either remain in an acute care inpatient bed or be transferred elsewhere. In either case, the patients and families miss the opportunity to experience the KBR setting. This situation is very costly and not in the patient's best interest.

As a tertiary provider of services having a broad regional patient service area, I can appreciate the challenges that HPCC faces where the need determination does not fully recognize the demand for services in the Forsyth County location. I support and encourage you to review the HPCC petition and grant their request for 2008 SMFP.

Please accept this letter as an indication that NCBH is in full support of the petition by HPCC for additional hospice inpatient and residential beds. Thank you in advance for your consideration. Please do not hesitate to contact me for further information or support of this important endeavor.

Sincerely,

Donny C. Lambeth Interim President

Chief Operating Officer

North Carolina Baptist Hospital

Medical Center Boulevard + Winston-Salem, North Carolina 27157

Exhibit 2

Hospice and Palliative Care Center of Forsyth
Projected Need for Hospice Beds Based on an Adjusted Approach to the 5MFP Methodology

Scenario 1: Adjusted Need Based on SMEP Methodology adjusted for Historical HPCC Share

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Projected Adjusted Need Under Scenario 1:

Scenario 2: Adjusted Need Based on Patients that Could be Served if Waiting List & Historical Need Served

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A. (Armuai Number Patients on Warting List	372	3161	54.4
[B] [Average Length of Stay	12		191
Potential Day of Care for Waiting List (Row	i i	<u>†</u> :-	:
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E Total Projected Days (Bow C+Row D)	9.897	9 225	9.561
Divide by 85% SMEP Occupancy Rate to	· [i		1
F determine Projected Days Capacity Needed	11,644	10.853	11,248
Divide by 365 to Determine Average Days	· [· F	-
G Needed on Each Day (Unit Size)	32	36 į	3.1
Projected Adjust	ed Need Under S	cenario 2:	31

Exhibit 3

Hospice and Palliative Care Center of Forsyth Historical Utilization for 2006 and 2007 YTD

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Exhibit 4
Hospice and Palliative Care Center of Forsyth
Adverse Impact Calculation

		2005	2006	Avera	ge
Λ	Annual Number Patients on Waiting List	372	316	+-· -	344
В	Average Longth of Stay	12	12		1,2
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	Average Charge Per Inpatient Day (room+board				
D	+ ancillary)			S	4,000
E	Average Charge Per Hospice Inpatient Day		_	s	600
F	Difference			S	3.400
G	Excess Cost in Absence of Hospice Beds			\$ 14.0	035,200
	Number of Patients by Medically Underserved		-		
Н	Group				
	Medicaid		65a		21
	Medicare		78%		268
	Indigent/Self-Pay		4%		1.4
	Commercial		12%		41
			†		344

Source. Average Charge per Inpatient day based on recent Forsyth County CON applications G-7691-06 Kernersville Hospital, Forsyth Medical Center/Novant G-7604-06 North Carolina Baptist Hospital Tower

History Ile PH

July 13, 2007

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PETITION TO THE STATE HEALTH COORDINATING COUNCIL TO ADJUST THE 2008 STATE MEDICAL FACILITIES PLAN'S NEED DETERMINATION FOR HOSPICE INPATIENT BEDS FOR FORSYTH COUNTY

2008 DRAFT SMFP PUBLIC HEARING PRESENTATION

Good afternoon. My name is JoAnn Davis, President of the Hospice & Palliative Care Center (hereafter HPCC). We are a comprehensive center that provides support, guidance, palliative and hospice care to patients and their loved ones on every step of the path from serious illness to end of life care. One of the most rewarding aspects of our work is that we provide services to the entire family. HPCC, founded in 1979, was the first hospice in North Carolina. Since then, HPCC has grown to four offices located in Winston-Salem, Mocksville, Walnut Cove, and Salisbury to serve patients and their families from 13 counties.

I am here today to petition the State Health Coordinating Council (SHCC) to adjust the 2008 State Medical Facilities Plan to allow for a regional adjustment for ten (10) additional hospice inpatient beds and ten (10) additional hospice residential beds in Forsyth County. We will provide our complete petition by the August 1, 2007 deadline but I have traveled here today to provide you with an overview of the rationale for our petition.

HPCC is currently licensed for twenty (20) hospice inpatient beds at its Kate B. Reynolds Hospice Home and ten (10) hospice residential beds. All thirty (30) beds are built to the hospice inpatient standards and are located facilities that are physically connected.

As we will detail in our petition, HPCC has a full complement of medical directors and other clinical staff and we serve as a training site for residents from Wake Forest University School of Medicine. In most cases, the only element that prevents us from providing hospice care to more than twenty inpatients and ten residential hospice patients at our facility at any given time is the actual license for beds.

I want to take a moment to note that we support the state need methodology for hospice inpatient beds across the state. However, the situation in Forsyth County poses a unique challenge because the demand for hospice has pushed the existing facility beyond capacity. The central underlying reason that the state methodology does not recognize the need soon enough for Forsyth County is the fact that HPCC in Forsyth County serves patients from a metropolitan service area that includes patients from many of the outlying counties. The SHCC methodology recognizes each of the 100 counties as a separate service area. In practice, HPCC in Forsyth County serves a 13 county service area and 29% of our hospice inpatient and 22% of our hospice residential patients' homes are outside of Forsyth County. In most cases, the patients who come from outside the county prefer to be served by HPCC because of the expanded services, and because they have sought specialty care at the medical centers in Forsyth County, In addition the medical services staff at HPCC is board certified in Hospice and Palliative Care, and therefore the best Hospice has to offer.

As the volume of demand for hospice at HPCC continues to grow, we find ourselves increasingly operating above capacity. When all of the current hospice inpatient and hospice

NOTE: These are our public hearing presentation summary remarks. The detailed petition will be submitted at the August 1, 2007 hearing in Raleights Health Planning

Hospice & Palliative Care Center 2008 DRAFT SMFP Public Hearing Remarks Forsyth County

RECEIVED Page 1 of 5

JUL 12 2007

Medical Facilities Planning Section

residential beds are full, HPCC finds itself in the unpleasant position of reducing or restricting access. As a result, we are concerned that without the additional requested beds, we will not be able to continue to offer potential patients the most cost-efficient setting for end of life care.

The HPCC in Forsyth County has developed two alternative scenarios to support the additional need for hospice inpatient beds, which will be presented in the petition.

- The first scenario adjusts the 2012 SMFP need for each of the counties where IPCC has
 historically drawn patients by applying the percentage of patient origin for those counties
 to the 2008 Draft SMFP need determination. This adjustment results in the need for 27
 hospice inpatient beds.
- The second scenario converts the historical number of patients on the waiting list that were never admitted to HPCC in Forsyth County to days of eare using the historical average length of stay. When this methodology was averaged over the past two years, the adjustment results in the need for 31 hospice inpatient beds.

While Hospice residential does not have an official SMFP need methodology, we have found in our experience that in order to provide a full continuum of Hospice options it is necessary to have a near 2:1 ratio of hospice inpatient:hospice residential beds. Medicare's respite benefit requires that care be provided in a licensed bed.

I would like to highlight just a few of the many elements that will support our request in the written petition in the context of access, then quality and finally cost efficiency:

Aceess:

- In 2006, at least <u>269 patients died while waiting for a bed</u> at HPCC in Forsyth County.
- The <u>occupancy rate of hospice inpatient beds was 106 %</u> in the first four months of 2007 and 104% in 2006. In two of the last five months, the occupancy rate has been 110%.
- The occupancy rate of hospice residential beds was 93% in the first four months of 2007. In one of the past five months, the occupancy rate was 100%.
- The occupancy rates greater than 100% underscore a critical strain on the capacity of hospice beds. The days in excess of 100% are only possible because <u>multiple patients</u> have died in the same room on the same day. This is a quality indicator of a missed opportunity to offer a patient and their family more time in hospice. There were 367 days in 2006 and 156 days year to date in 2007 (through May) when more than one patient used the same bed on the same day.
- We serve a growing number of pediatric patients. The <u>pediatric daily census has nearly</u> <u>doubled</u> year to date 2007 over 2006.
- The <u>vast majority of IIPCC patients are from medically underserved populations.</u>
 Medicare patients make up 78% and Medicaid 6% of the payer mix. Indigent and self-pay consists of an additional 4% of patients.
- The State methodology does not consider the <u>growing undocumented alien population</u>. Forsyth County has one of the fastest growing populations of undocumented alien residents in the State of North Carolina.

NOTE: These are our public hearing presentation summary remarks. The detailed petition will be submitted at the August 1, 2007 hearing in Raleigh.

Hospice & Palliative Care Center 2008 DRAFT SMFP Public Hearing Remarks Forsyth County

- As other providers in Forsyth County face capacity constraints, the demand for hospice is directly impacted. <u>Both hospitals in Forsyth County are operating near capacity and there is a 198 bed deficit of nursing home beds in Forsyth County.</u>
- The population over 65 in Forsyth County is expected to grow 12% in the next five years.

During periods where the hospice inpatient beds are full and hospice residential patients who require hospice inpatient care cannot be transferred, a subsequent access challenge is created for incoming hospice home care patients. Patients that are already in our hospice home care service who are in crisis (their condition reaches a point where they cannot safely be cared for in the home setting) can be denied admission to hospice inpatient when the beds are full. This can result in the patient's admission to an acute care hospital or nursing home even though they could have been treated in a hospice inpatient unit had a bed been available.

Quality:

In addition to the improved atmosphere and quality of life for patients during the end of life phase, a recent retrospective analysis just published in the Journal of Pain and Symptom Management found that <u>mean survival was 29 days longer for hospice patients</u> than for nonhospice patients.

The HPCC staffs both its hospice inpatient and hospice residential beds with a 24 hour multidisciplinary team. A physician is available on-call to respond to the needs of patients and engage in joint planning with the primary care physician. Since these staff are already in place, we can offer hospice inpatient services to all 30 beds if we were licensed for 30 hospice inpatient beds. Only a moderate amount of incremental operational clinical staff would be required to increase from 10 to 20 hospice residential beds. Without the additional beds, our services are capped at 30 total beds and other potential patients will have to be denied access in the future, not because we don't have the clinical competency and staffing in place but solely because of a licensing restriction.

Cost efficiency:

Studies of hospice care in the clinical literature are increasingly recognizing hospice is a more cost-effective setting than an inpatient hospital for end of life care. In a recent retrospective review of patients who expired with ovarian cancer, the cost of care was much lower in the hospice group at \$15,164 per putient as compared to \$59,319 per patient in the non hospice group.(1)

At HPCC the reimbursement from Medicare and private payers is \$600 per day for hospice inpatient and \$125 for hospice residential patients. These costs can be several thousand dollars lower than the costs patients might incur if they remained in inpatient acute care or a nursing home. The last few days of care for patients that die in an inpatient hospital or a nursing home are widely acknowledged to be the most costly days of the patients' admission.

¹ Population Projection by Age Group Tables, North Carolina State Demographer, www.demog.state.nc.tis, accessed June 19, 2007, 2012 estimate of 47,292, 2007 estimate of 42,244.

NOTE: These are our public hearing presentation summary remarks. The detailed petition will be submitted at the August 1, 2007 hearing in Raleigh.

Finally, 10 of the incremental inpatient beds can be immediately put in service in the existing physical plant. The ten requested residential beds will be added to our existing 10 residential bed complement in order to construct a new 20 bed residential unit. In our experience, it is not cost efficient to undertake a new project for less than 20 beds. In addition, we expect to raise the majority of the capital funds through a capital campaign which will introduce the residential beds in n extremely cost-efficient manner.

Adverse Effects on the Population If the Adjustment is Not Made

Without the requested additional hospice inpatient and hospice residential beds, patients who are at the end of life who have made the hard choice of moving into hospice may continue to be placed on a waiting list, or worse, denied access to HPCC.

Patients that are without any other support system to experience death with dignity in the home will not be afforded the opportunity at HPCC. Patients that are economically disadvantaged that cannot afford alternative settings to HPCC may be forced to seek care in a hospital or nursing home and incur costs that far outweigh the patient's resources.

The costs to the community for the patients that remain on the waiting list will continue to fester and grow higher than they would if the patients could be granted immediate access to the lower cost hospice setting. In addition, the operating costs will continue to escalate and cost inefficiencies will continue for HPCC as we attempt to manage patients in multiple settings (including the hospital based units) and we have to staff overtime to meet the demands of operating a unit at more than 100% capacity.

Finally, HPCC staff will be increasingly challenged to perform the continuous quality improvement efforts when we face sustained capacity overload in the patient care arena.

No Feasible Alternatives

HPCC considered several alternatives including: 1) status quo, 2) referring patients to hospice programs in the service area and 3) this petition.

The Status Quo is not acceptable to HPCC because access will continue to be denied to patients and their providers who are reaching out for our services at the time of greatest need for the patient. The Status Quo means as many as 316 patients may be left on the waiting list again this year and perhaps more in the future.

Referring patients to counties other than Forsyth, even when the patient is not from Forsyth is not practical. Most of the patients that we receive from other counties have been referred to HPCC because of our expanded services, expertise, and excellent care. They have already come to Winston-Salem for treatment at one of the referral medical centers. When the patient makes the choice for Hospice, they often want to remain in care that is delivered in collaboration with their specialist who is usually based in Winston-Salem.

NOTE: These are our public hearing presentation summary remarks. The detailed petition will be submitted at the August 1, 2007 hearing in Raleigh.

Hospice & Palliative Care Center 2008 DRAFT SMFP Public Hearing Remarks Forsyth County This petition is the only alternative that will allow HPCC to meet the current and future demand for high quality Hospice & Palliative Care services in a cost-effective manner.

The Requested Adjustment Will Not Unnecessarily Duplicate Health Services

HPCC is the only regional hospice program in the area and the oldest hospice program in North Carolina. Other local hospice programs in our service area can continue to meet the needs of their populations and will remain well utilized even if we are granted the opportunity for additional hospice inpatient and hospice residential beds.

HPCC is the only hospice program in the State and one of the few in the United States that enjoys the complete support of both area regional referral centers and both are in support of this petition.

Conclusion

For all the foregoing reasons, we strongly encourage the SHCC to consider carefully the petition presented by HPCC and determine there is a need for ten (10) additional hospice inpatient beds and ten (10) additional hospice residential beds in Forsyth County.

Thank you for your time and attention and I would be happy to answer any questions or provide additional information on any of my remarks.

JoAnn Davis President

101 Hospice Lane Winston-Salem, NC 27103 Telephone: (336) 768-3972

Exhibits:

- 1. Letters of Support
- 2. Adjusted Need Scenario Projections
- 3. Historical Occupancy Rate 2006 & Year to Date 2007

Reference List

(1) Lewin SN, Buttin BM, Powell MA, Gibb RK, Rader-JS, Mutch DG et al. Resource utilization for ovarian cancer patients at the end of life; how much is too much? Gynecol Oncol. 2005;99:261-66.

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Hospice & Palliative Care Center 2008 DRAFT SMFP Public Hearing Remarks Forsyth County Page 5 of 5

Hospice Charlotte PH 7-25-07

PETITION TO THE STATE HEALTH COORDINATING COUNCIL TO ADJUST THE 2008 STATE MEDICAL FACILITIES PLAN'S NEED DETERMINATION FOR HOSPICE INPATIENT BEDS FOR FORSYTH COUNTY

2008 DRAFT SMFP PUBLIC HEARING PRESENTATION

Good afternoon. My name is JoAnn Davis. President of the Hospice & Palliative Care Center (hereafter HPCC). We are a comprehensive center that provides support, guidance, palliative and hospice care to patients. HPCC, founded in 1979, was the first hospice in North Carolina. Since our beginning, our philosophy has been that when Hospice care is appropriate and desired by the patient and family, it is the most cost-efficient setting for end of life care.

I am here today to petition the State Health Coordinating Council (SHCC) to adjust the 2008 State Medical Facilities Plan to allow for a regional adjustment for ten (10) additional hospice inpatient beds and ten (10) additional hospice residential beds in Forsyth County. In our petition we will provide the methodology used to project the need for the requested beds.

HPCC is currently licensed for twenty (20) hospice inpatient beds at its Kate B. Reynolds Hospice Home and ten (10) hospice residential beds. All thirty (30) beds are built to the hospice inpatient standards and are located facilities that are physically connected. We are the only provider of hospice care in Forsyth County and our board consists of leaders from both major health systems who are in full support of this petition.

We support the state need methodology for hospice inpatient bcds across the state. However, the situation in Forsyth County poses a unique challenge because the demand for hospice has pushed the existing facility beyond capacity. The central underlying reason that the state methodology does not recognize the need soon enough for Forsyth County is the fact that HPCC in Forsyth County serves patients from a metropolitan service area that includes patients from many of the outlying counties. In most cases, the patients who come from outside the county choose to stay in Forsyth County so they can remain under the care of specialists that live and work in Forsyth County.

I would like to highlight just a few of the many elements that will support our request in the written petition:

Access:

- In 2006, at least <u>269 patients who were candidates for hospice died while waiting for a bed</u> at HPCC in Forsyth County.
- The <u>occupancy rate of hospice inpatient beds was 106 %</u> in the first four months of 2007 and <u>104%</u> in 2006. In two of the last five months, the occupancy rate has been <u>110%</u>.
- The occupancy rates greater than 100% underscore a critical strain on the capacity of hospice beds. The days in excess of 100% are only possible because multiple patients have died in

NOTE: These are our public hearing presentation summary remarks. The detailed petition will be submitted at the August 1, 2007 hearing in Raleigh.

Hospice & Palliative Care Center 2008 DRAFT SMFP Public Hearing Remarks Forsyth County

Page 1 of 4

- the same room on the same day. There were 367 days in 2006 and 156 days year to date in 2007 (through May) when more than one patient used the same bed on the same day.
- The occupancy rate of hospice residential beds was <u>93%</u> in the first four months of 2007. In one of the past five months, the occupancy rate was 100%.
- We serve a growing number of pediatric patients. The <u>pediatric daily census has nearly doubled</u> year to date 2007 over 2006.
- The vast majority of HPCC patients are from medically underserved populations.

 Medicare patients make up 78% and Medicaid 6% of the payer mix. Indigent and self-pay consists of an additional 4% of patients.
- The State methodology does not consider the <u>growing undocumented alien population</u>. Forsyth County has one of the fastest growing populations of undocumented alien residents in the State of North Carolina.
- As other providers in Forsyth County face capacity constraints, the demand for hospice is
 directly impacted. Both hospitals in Forsyth County are operating near capacity and there
 is a 198 bed deficit of nursing home beds in Forsyth County.
- During periods where the hospice inpatient beds are full, patients that are already in our hospice home care service who are in crisis (their condition reaches a point where they cannot safely be cared for in the home setting) can be denied admission to hospice inpatient when the beds are full. This can result in the patient's admission to an acute care hospital or nursing home even though they could have been treated in a hospice inpatient unit had a bed been available.

Quality:

- A recent study just published in the Journal of Pain and Symptom Management found that mean survival was 29 days longer for hospice patients than for nonhospice patients.
- The HPCC staffs both its hospice inpatient and hospice residential beds with a 24 hour multidisciplinary team. Without the additional beds, our services are capped at 30 total beds and other potential patients will have to be denied access in the future, not because we don't have the clinical competency and staffing in place but solely because of a licensing restriction.

Cost efficiency:

- Studies of hospice care in the clinical literature what many of us have known since the beginning of the hospice movement hospice is a more cost-effective setting than an inpatient hospital for end of life care. In a recent retrospective study, the cost of care was much lower in the hospice group at \$15,164 per patient as compared to \$59,319 per patient in the non hospice group.(1)
- At HPCC the reimbursement from Medicare and private payers is \$600 per day for hospice inpatient and \$125 for hospice residential patients. These costs can be several thousand

NOTE: These are our public hearing presentation summary remarks. The detailed petition will be submitted at the August 1, 2007 hearing in Raleigh.

Hospice & Palliative Care Center 2008 DRAFT SMFP Public Hearing Remarks Forsyth County dollars lower than the costs patients might incur if they remained in inpatient acute care or a nursing home.

- We expect to raise the majority of the capital funds through a capital campaign which will introduce the residential beds in an extremely cost-efficient manner.
- Finally, 10 of the incremental inpatient beds can be immediately put in service in the existing physical plant. The ten requested residential beds will be added to our existing 10 residential bed complement in order to construct a new 20 bed residential unit. In our experience, it is not cost efficient to undertake a new project for less than 20 beds.

Adverse Effects on the Population If the Adjustment is Not Made

- Without the requested additional hospice inpatient and hospice residential beds, patients who are at the end of life who have made the hard choice of moving into hospice may continue to be placed on a waiting list, or worse, denied access to HPCC.
- The costs to the community for the patients that remain on the waiting list will continue to grow higher than they would if the patients could be granted immediate access to the lower cost hospice setting.
- Finally, HPCC staff will be increasingly challenged to perform the continuous quality improvement efforts when we face sustained capacity overload in the patient care arena.

No Feasible Alternatives

- The Status Quo means as many as 316 patients may be left on the waiting list again this year and perhaps more in the future.
- Referring patients to counties other than Forsyth, even when the patient is not from Forsyth is
 not practical. Most of the patients that we receive from other counties have been referred to
 HPCC because they have already come to Winston-Salem for treatment at one of the referral
 medical centers. When the patient makes the choice for Hospice, they often want to remain
 in care that is delivered in collaboration with their specialist who is based in Winston-Salem.

The Requested Adjustment Will Not Unnecessarily Duplicate Health Services

- As we noted in the opening, HPCC is the only hospice program in the State and one of the few in the United States that enjoys the complete support of both area regional referral centers and both are in support of this petition.
- We support the additional hospice beds in our service area that are under development as they will help answer growing community need however, the approved beds will not address the needs of patients who seek our services to remain under the care of specialists based in Winston-Salem.

NOTE. These are our public hearing presentation summary remarks. The detailed petition will be submitted at the August 1, 2007 hearing in Raleigh.

Hospice & Palliative Care Center 2008 DRAFT SMFP Public Hearing Remarks Forsyth County Page 3 of 4

Conclusion

For all the foregoing reasons, we strongly encourage the SHCC to consider carefully the petition presented by HPCC and determine there is a need for ten (10) additional hospice inpatient beds and ten (10) additional hospice residential beds in Forsyth County.

Thank you for your time and attention and I would be happy to answer any questions or provide additional information on any of my remarks.

JoAnn Davis
President

101 Hospice Lane Winston-Salem, NC 27103 Telephone: (336) 768-3972

Reference List

(1) Lewin SN, Buttin BM, Powell MA, Gibb RK, Rader JS, Mutch DG et al. Resource utilization for ovarian cancer patients at the end of life: how much is too much? Gynecol Oncol. 2005;99:261-66.

NOTE: These are our public hearing presentation summary remarks. The detailed petition will be submitted at the August 1, 2007 hearing in Ruleigh.

Hospice & Palliative Care Center Petition to the State Health Coordinating Compactiff Page adjust the 2008 State Medical Facilities Plan Need Determination RECEIVED for Hospice Beds for Forsyth County

AUG 0 1 2007

2008 DRAFT SMFP Public Hearing Presentation August 1, 2007

Medical Facilities
Planning Section

Good afternoon. My name is JoAnn Davis, President of the Hospice & Palliative Care Center (hereafter HPCC). We are a comprehensive center that provides support, guidance, palliative and hospice care to patients. HPCC, founded in 1979, was the first hospice in North Carolina. Since our beginning, our philosophy has been that when Hospice care is appropriate and desired by the patient and family, it is the most cost-efficient setting for end of life care.

I am here today to petition the State Health Coordinating Council (SHCC) to adjust the 2008 State Medical Facilities Plan to allow for a regional adjustment for ten (10) additional hospice inpatient beds and ten (10) additional hospice residential beds in Forsyth County. In our petition we will provide the methodology used to project the need for the requested beds.

HPCC is currently licensed for twenty (20) hospice inpatient beds at its Kate B. Reynolds Hospice Home and ten (10) hospice residential beds. All thirty (30) beds are built to the hospice inpatient standards and are located in facilities that are physically connected. We are the only provider of hospice care in Forsyth County and our board consists of leaders from both major health systems who are in full support of this petition.

We support the state need methodology for hospice inpatient beds across the state. However, the situation in Forsyth County poses a unique challenge because the demand for hospice has pushed the existing facility beyond capacity. The central reason that the state methodology does not recognize the need soon enough for Forsyth County is the fact that HPCC in Forsyth County serves patients from a metropolitan service area that includes patients from many of the outlying counties. In most cases, the patients who come from outside the county choose to stay in Forsyth County so they can remain under the care of specialists that live and work in Forsyth County.

I would like to highlight just a few of the many elements that will support our request in the written petition:

Access:

- In 2006, at least 269 patients who were candidates for the Kate B. Reynolds Hospice Home died while waiting for a bed
- The <u>occupancy rate of hospice inpatient beds was 106 %</u> in the first four months of 2007 and <u>104%</u> in 2006. In two of the last five months, the occupancy rate has been <u>110%</u>.
- The occupancy rates greater than 100% underscore a critical strain on the capacity of hospice beds. The days in excess of 100% are only possible because multiple patients were in the

NOTE: These are our public hearing presentation summary remarks. The detailed petition will be submitted by the August 3, 2007 deadline.

Hospice & Palliative Care Center Forsyth County Page 1 of 1 2008 DRAFT SMFP Public Hearing Remarks

- same room on the same day. There were 367 days in 2006 when more than one patient used the same bed on the same day.
- The occupancy rate of hospice residential beds was <u>93%</u> in the first four months of 2007. In one of the past five months, the occupancy rate was 100%.
- We serve a growing number of pediatric patients. The <u>pediatric daily census has nearly</u> <u>doubled</u> year to date 2007 over 2006.
- The vast majority of HPCC patients are from medically underserved populations.

 Medicare patients make up 78% and Medicaid 6% of the payer mix—Indigent and self-pay consists of an additional 4% of patients.
- The State methodology does not consider the <u>growing undocumented immigrant</u> <u>population</u>. Forsyth County has one of the fastest growing populations of undocumented immigrant residents in the State of North Carolina.
- As other providers in Forsyth County face capacity constraints, the demand for hospice is directly impacted. <u>Both hospitals in Forsyth County are operating near capacity and there is a 198 bed deficit of nursing home beds in Forsyth County.</u>
- During periods where the hospice inpatient beds are full, patients that are already in our hospice home care service who are in crisis (their condition reaches a point where they cannot safely be cared for in the home setting) can be denied admission to hospice inpatient when the beds are full. This can result in the patient's admission to an acute care hospital or nursing home even though they could have been treated in a hospice inpatient unit had a bed been available.

Quality:

- HPCC offers a <u>full spectrum of end-of-life services and advanced levels of clinical staffing</u>
 that patients and their providers expect after transfer from our area's medical facilities with a
 regional focus.
- Hospice is not only a more pleasant setting for end of life services, but it may also extend
 quality of life. A recent study just published in the Journal of Pain and Symptom
 Management found that mean survival was 29 days longer for hospice patients than for
 nonhospice patients.
- Without the additional beds, our services are capped at 30 total beds and other potential
 patients will have to be denied access in the future, not because we don't have the clinical
 competency and staffing in place but solely because of a licensing restriction.

Cost efficiency:

• At HPCC the charge to Medicare and private payers is \$600 per day for hospice inpatient and \$140 for hospice residential patients. These charges can be several thousand dollars lower than the costs patients might incur if they remained in inpatient acute care or a nursing home.

NOTE. These are our public hearing presentation summary remarks. The detailed petition will be submitted by the August 3, 2007 deadline.

Hospice & Palliative Carc Center Forsyth County

- The proposed beds will allow us to help save at least \$14 million annually in medical costs in our own service area if patients that are already on our waiting list and appropriate hospice candidates can be seen by HPCC rather in a hospital setting.
- The ten (10) of the incremental inpatient beds can be immediately put in service in the existing physical plant with <u>no capital cost</u> to the health care system.
- The ten requested residential beds will be added to our existing ten (10) residential bed complement in order to construct a new 20 bed residential unit. We expect to raise the capital funds through a <u>capital campaign which will introduce the residential beds in an extremely cost-efficient manner</u>. In our experience, it is not cost efficient to undertake a new project for less than 20 beds.

Adverse Effects on the Population If the Adjustment is Not Made

- Without the requested additional hospice inpatient and hospice residential beds, patients who are at the end of life who have made the hard choice of moving into hospice may continue to be placed on a waiting list, or worse, denied access to HPCC.
- The costs to the community for the patients that remain on the waiting list will continue to be \$14 million or higher than they would if the patients could be granted immediate access to the lower cost hospice setting.
- HPCC staff will be increasingly challenged to perform the continuous quality improvement efforts when we face sustained capacity overload in the patient care arena.

No Feasible Alternatives

- The Status Quo means at least 316 patients may be left on the waiting list again this year and perhaps more in the future.
- Referring patients to counties other than Forsyth, even when the patient is not from Forsyth is not practical. Most of the patients that we receive from other counties have been referred to HPCC because they have already come to Winston-Salem for treatment at one of the referral medical centers. When the patient makes the choice for Hospice, they often want to remain in care that is delivered in collaboration with their specialist who is based in Winston-Salem.

The Requested Adjustment Will Not Unnecessarily Duplicate Health Services

As we noted in the opening, HPCC is the only hospice program in the State and one of the
few in the United States that enjoys the complete support of both area regional referral
centers and both are in support of this petition.

NOTE: These are our public hearing presentation summary remarks. The detailed petition will be submitted by the August 3, 2007 deadline.

Calculation methodology provided in the formal petition

 We support the additional hospice beds in our service area that are under development as they will help answer growing community need however, the approved beds will not address the needs of patients who seek our services to remain under the care of specialists based in Winston-Salem.

Conclusion

For all the foregoing reasons, we strongly encourage the SHCC to consider carefully the petition presented by HPCC and determine there is a need for ten (10) additional hospice inpatient beds and ten (10) additional hospice residential beds in Forsyth County.

Thank you for your time and attention and I would be happy to answer any questions or provide additional information on any of my remarks.

> JoAnn Davis President

101 Hospice Lane Winston-Salem, NC 27103 Telephone: (336) 768-3972

NOTE. These are our public hearing presentation summary remarks. The detailed petition will be submitted by the August 3, 2007 deadline.

Executive Summary

	sidential beds in Forsyth Count	, 			
	ed complement:	Needed bed complement:			
20 Hospic		30 Hospice IP Beds			
10 Hospic	e Residential Beds	20 Hospice Residential Beds			
	hodo <u>logy:</u>				
	: Patient Origin*SMFP need by				
		ess*ALOS=31 Hospice IP Beds			
Residentia	l: 1.5:1 ratio of Hospice IP:Res	idential-20 Hospice Residential Beds			
Rationale					
Access	 In 2006, at least 269 pat 	tients who were candidates for the Kate B. Reynolds			
	Hospice Home died while waiting for a bed				
• In 2006, on 367 days, more than one person died in a Hospice IP room					
	Hospice IP occupancy rate is currently 104-110% and residential is 93%				
	Both hospitals in Forsyth County are operating near capacity and there is a				
		ng home beds in Forsyth County			
Cost	The proposed heds will	save \$14 million annually in medical costs			
	No cost to the health car	•			
	ł .	t beds can be added at zero cost			
	- I	beds will be funded by a capital campaign			
		· · · · · · · · · · · · · · · · · · ·			
Quality		multidisciplinary team of full-time medical directors,			
		residents, nursing and paramedical professionals			
	T .	inuum of end-of-life services to patients and their			
		alued by the specialists in Winston-Salem that			
	continue to refer patient				
		ve a longer lifespan than patients treated in a hospital			
	setting				

Adverse effects to service area if not approved;

- At least \$14 million in medical costs will be incurred annually as patients are admitted to hospitals rather than hospice inpatient beds
- 268 Medicare, 21 Medicaid, 14 Indigent/Self-Pay and 41 Commercial (344 total) patients annually will not have access to hospice services each year

Not Duplicative:

- HPCC asks for these beds in order to maintain the level of service *presently demanded* by residents and physicians of Forsyth and contiguous counties.
- HPCC will continue to complement rather than compete with the services available in the counties contiguous to Forsyth

NOTE: These are our public hearing presentation summary remarks. The detailed petition will be submitted by the August 3, 2007 deadline.

Hospice & Palliative Care Center Forsyth County

Page 5 of 5 2008 DRAFT SMFP Public Hearing Remarks



101 Hospice Lane • Winston Salem, NC 27103 • ph. 336, 768, 3072 • fax, 336, 630, 6461

DPS Health Planning RECEIVED

September 4, 2007

SEP 04 2007

Mr. Floyd Cogley, Planner Medical Facilities Planning Section Division of Facility Services 2714 Mail Service Center Raleigh, NC 27699-2714

Medical Facilities Planning Section

RE: Additional Support and Information for

Hospice & Palliative Care Center Petition to adjust the 2008 State Medical Facilities Plan Need Determination for Hospice Beds in Forsyth County

Dear Mr. Cogley,

I am pleased to pass on several letters of support for our petition from other area hospice programs. These letters demonstrate that our colleagues in other hospice programs understand the nature of our regional mission and support our efforts to continue to serve the patients who seek our services.

We are very excited about the opportunity to extend access by providing additional beds and service to our community. Our donors have expressed a great interest in this project and we are gearing up for a capital campaign that will provide the funds for the additional residential space.

In addition, after further discussion of our petition with you, members of the committee and other area hospice programs. I would like to provide some clarifying information. Note that this information is not intended to replace or amend our original petition; rather this information is intended to clarify what we have previously submitted:

- 1. The patient origin by county of the 269 people on the waiting list is provided in Exhibit 1 to this memorandum. The distribution across counties is very similar to the patient origin we provided in Exhibit 1 of the Petition.
- 2. Of the 70 Davidson County residents that our KBR Hospice Home served in 2006, only 7 were Hospice of Davidson County contracted patients. The rest were either our home care patients or direct admits into our program from the hospital. We certainly expect the contracted days to shift back to the new Davidson facility, once it is completed, however we do not expect those days to have a significant impact on our waiting list.

Serving 13 counties from 4 offices & Kate B. Revnolds Hospice Home



3. It has come to our attention that the historical service share of Surry and Davidson was incorrectly quoted as 12.4% and 17.4% respectively on the petition. The correct historic service share based on information in the 2008 SMFP is as quoted in Exhibit 1 of 1.9% and 21.6% respectively.

Thank you in advance for accepting these materials and forwarding to the members of the Long-Term Care and Behavioral Health Committee. Members of my senior leadership team will be at the September 14th meeting and prepared to comment on any questions that may arise.

Please do not hesitate to contact me for additional information. I look forward to the opportunity to support this petition further during the review process.

Sincerely

JoAnn Davis
President & CEO

Enclosures:

Exhibits

Letters of Support

2006 KBR waitlist				2007 KBR \ Jan- J	
269 total died on KBR waitlist				Total YTD	111
Forsyth	174	65.0%	Forsyth	70	63.1%
Davie	13	4.8%	Davie	9	8.1%
Davidson	18	6.7%	Davidson	11	9.9%
Stokes	14	5.2%	Stokes	7	6.3%
Surry	11	4.1%	Surry	2	1.8%
Yadkin	9	3.3%	Yadkin	1	0.9%
Rowan	2	0.7%	Rowan	1	0.9%
Guilford	8	3.0%	Guilford	6	5.4%
Wilkes	6	2.2%	Wilkes	2	1.8%
Other	10	3.7%	Other	2	1.8%
VA	4	1.5%	VA	0	0.0%
2006 daily average on waitlist 6.31			YTD daily a	average on w	aitlist-7.1



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Hospice Care • Home Health Care • Grief Support • Kids Path® Pediatric Care & Grief Support
Caterpillar's Quest Child Grief Camp • Nursing Home & Assisted Living Facility Services
Advanced Care Planning • Internship Site for Nursing & Social Work Students

August 28, 2007

Mr. Floyd Cogley, Planner Medical Facilities Planning Section Division of Facility Services

Mr. Cogley:

We acknowledge that the Kate B. Reynolds Hospice Home in Winston-Salem has been instrumental in helping maximize the care (while minimizing health care costs) to terminal patients in and around Forsyth County. We have worked together for many years in providing the best possible care for patients and families regardless of physical location. The additional beds in Forsyth County will only add value to the service of all.

We support Hospice and Palliative CareCenter in their Special Needs Petition for additional beds at the Kate B. Reynolds Hospice Home.

Sincerely,

Rhonda L. Burch

CEO/President

cc: JoAnn Davis, President & CEO Hospice & Palliative CareCenter



August 27, 2007

Floyd Cogley Medical Facilities Planner Division of Facility Services

Dear Mr. Cogley,

We have worked in a collaborative relationship with the other hospices in the Triad including Hospice and Palliative Care Center in Winston-Salem (HPCC) for a number of years in order to best serve the end of life care needs of our citizens. We appreciate their assistance in helping us develop our facility in High Point.

We understand that HPCC is requesting a special petition to create 10 additional general inpatient beds at the Kate B. Reynolds Home due to the number of patients on their waiting list who could not otherwise be served. While we are not in a position to comment on this specific need, we are not opposed to their request.

Sincerely,

Leslie Kalinowski CEO/president

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101 Hospice Lane + Winston-Salem, NC 271 (3 + ph. 336-768/3072 + fax/336/659a)461

September 4, 2007

DES Height Planting

Mr. Floyd Cogley, Planner Medical Facilities Planning Section Division of Facility Services 2714 Mail Service Center Raleigh, NC 27699-2714

SEP 04 2007

Medical Facilities Planning Section

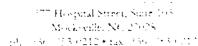
Dear Floyd.

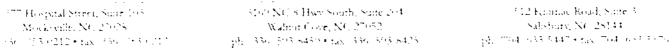
The following is a letter that we sent to members of the Long Term Care Committee:

I am writing to make an additional appeal for your careful consideration of the petition by Hospice & Palliative Care Center in Forsyth County (HPCC) to add 10 Hospice inpatient beds to the 2008 SMFP and allow the development of 10 additional residential beds. As you review our detailed petition, we ask for your continued focus on the following themes:

- HPCC has the opportunity to expand access to hospice services in our 1. service area at zero additional cost to the health care system. Our 10 residential beds can be converted to inpatient and we will build a new residential facility with funds from a capital campaign. As the oldest hospice in the state, our donor base is significant. Staffing is already in place for the inpatient beds and the residential will require only incremental staffing.
- HPCC operates as a regional provider so need and demand in the 2. county based methodology lags actual demand for our services. The 10 additional beds we ask for are justified by the unmet demand on our own waiting list. These are patients that have selected Hospice & Palliative Care Center as their provider and have been turned away solely because of a lack of licensed capacity. It is important to note that we serve an urban and a rural base. Three of our most significant rural counties, Davie, Stokes and Yadkin will not show a need for 6 beds for 10-28 years yet there is clearly a need for these counties which goes unmet as long as there is a need of 3, 4, and 2 beds respectively. This special need determination will allow for these counties to have additional capacity open to them until their need reaches the 6-bed threshold.

Serving 13 counties from 4 offices & Kate B. Revnolds Hospice Home





3.12 Eminac Road, State 3. Salisbury, NC 28144





- 3. HPCC has obtained support from hospice programs in the contiguous counties and does not expect any opposition to this project. We will be submitting letters of support via Floyd Cogley's office from programs in the contiguous counties. Just as we have supported recent applications, the other providers understand our need is to serve our patient base and is not a duplication of existing capacity.
- 4. If there is even one patient who gets "waitlisted" for a hospice bed and ends up in a more expensive setting, then the health care system has failed. In the early days of Hospice, the burden was on hospice to show cost effectiveness and quality. Nearly 30 years later, there are numerous articles that document the cost effectiveness and quality of the hospice setting. As we documented in our petition, our existing unmet need is resulting in several million dollars of unnecessary costs associated with an acute care facility or long-term care settings for end of life.

 At HPCC, we are uniquely poised with the existing demand for services, "know how" and clinical bench strength to expand at no cost to the health care system. The only thing that is hampering our mission to serve additional patients is the licensing restriction. The petition's approval will clear the way for us to pursue a CON and develop additional capacity.

Thank you in advance for your careful consideration of these underlying themes in our petition. The need for our petition is very real, the costs are non-existent and the opportunity to improve access to high quality end of life care is before us. While we support the need methodology, our regional nature compels us to pursue this petition with great interest.

Members of our senior leadership team will be in the audience of the September 14th meeting and we look forward to the opportunity to add any additional information or clarification if you call on us. Please do not hesitate to contact me in advance of the meeting for additional information. We look forward to the opportunity to continue to serve our communities and the patients and families who rely on us.

Sincerely.

Lisa H. Holleman

Sr. Vice President, Strategic Development

Hospice & Palliative CareCenter

DFS Health Planning RECEIVED

SEP 05 2007

September 4, 2007

Medical Facilities
Planning Section

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Mr. Floyd Cogley, Planner Medical Facilities Planning Section Division of Health Service Regulation 2714 Mail Service Center Raleigh, North Carolina 27699-2714

Dear Mr. Cogley:

Mountain Valley Hospice and Palliative Care acknowledges that the Kate B. Reynolds Hospice Home in Winston-Salem has been instrumental in meeting the needs of terminally patients in and around Forsyth County, however we oppose the approval of the special needs petition for more beds at this time.

Our opposition is based upon the impact expected once our hospice home facility in Surry County is completed in 2008 and those being constructed in surrounding counties. In addition, the 2008 State Medical Facilities Plan has determined there is no need for additional hospice inpatient beds in Forsyth County.

Currently, patients from counties adjacent to Forsyth County use the Kate B. Reynolds Hospice Home, however once the new facilities are constructed patients will have the option of using several facilities capable of meeting the needs of hospice facility care. Adding additional beds now will not add value but will risk the creation of occupancy issues.

Once the facilities currently under construction begin to serve patients, the need for additional beds should be re-evaluated to ensure the needs in our communities are being met.

In summary, Mountain Valley Hospice and Palliative Care opposes Hospice and Palliative Care's special needs petition for 10 inpatient and 10 residential beds at the Kate B. Reynolds Hospice Home.

Respectfully Submitted.

Danue Violanon, RN, BEN

Denise Watson, RN, BSN Executive Director

Mountain Valley Hospice and Palliative Care

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Petition Inpatient Hospice – 3 Received Regarding Proposed 2008 State Medical Facilities Plan

Attached are:

- 1. Petition from Hospice of Gaston County
- 2. Written comment received.

Petition to State Health Coordinating Council

Adjustment to IP Hospice Bed Need Included in the Proposed 2008 State Medical Facilities Plan

July 25, 2007

Petitioner: Hospice of Gaston County d/b/a Gaston Hospice

258E Garrison Boulevard Gastonia, NC 28054

Contact: Leona T. Bucci, Executive Director

258E Garrison Boulevard Gastonia, NC 28054 (704) 861-8405



Medical Facilities Planning Section

Statement of Requested Change

Petition

Gaston Hospice is submitting this petition to the State Health Coordinating Council requesting an adjustment to the need determination for IP hospice beds included in Chapter 13 of the Proposed 2008 State Medical Facilities Plan

A deficit of 7 IP hospice beds is identified in Table 13C on page 284 and a need determination for 7 IP hospice beds is identified in Table 13E on page 290 in the Proposed 2008 State Medical Facilities Plan for Gaston County. Gaston Hospice is specifically requesting that the need for IP hospice beds in Gaston County be adjusted to a need determination for zero (0) IP hospice beds for the 2008 State Medical Facilities Plan.

Proposed IP Hospice Bed Need Adjustment Data and Information

On Sunday, July 22, Gaston Hospice celebrated the grand opening of its \$6.5 million Hospice House, which includes 6 IP hospice beds and 6 residential hospice beds. The development of the Hospice House has been a community effort with 100% of the Hospice House's funding coming from a combination of public capital campaign events, foundation donations, and miscellaneous corporate and governmental grants. Because of the dramatic increase in construction costs immediately after Hurricane Katrina, the Hospice House was burdened with both delays in construction and having to file a cost overrun CON application; however, the Hospice House was still able to begin operation only 12-months behind schedule.

Gaston Hospice requests the IP hospice bed need determination adjustment for the following reasons:

- Gaston Hospice House, a new, combined IP and residential hospice facility, became operational on July 22; this new facility will meet the needs of Gaston County residents for IP hospice care for the foreseeable future. Adding additional beds will only serve to duplicate this newly operational resource, which is directly contrary to the purpose of the CON Law.
- The draft 2008 SMFP projects 4,067 IP hospice days of care, but the need methodology is incapable of determining what number of days can be accommodated in a residential hospice setting versus an IP hospice setting. Gaston Hospice's approved cost overrun CON application projected 4,200 combined IP

- and residential hospice days of care, which is essentially equal to the need shown in the draft 2008 SMFP.
- Gaston Hospice provided 85.4% of Gaston County hospice days of care (41.386 / 48,469 = 85.4%) and cared to 88.1% of the Gaston County hospice patients who died in hospice care. As a result, no other hospice provider in Gaston County can generate the volume of days of care to meet the 1,660 days of care or 65% occupancy for a 7-bed facility, as required in §10A NCAC 14C .4003(A)(2). There are not enough hospice patients to support two IP hospice facilities in Gaston County. While the 7-bed facility might serve some patients who might otherwise go to Gaston Hospice, it is highly unlikely that it would serve enough patients that it would be fully utilized or be financially feasible. At the same time, a volume shift could cause the new Gaston Hospice facility to become underutilized. Gaston County does not need two underutilized hospice facilities. It makes more sense to allow the Gaston Hospice facility to operate for a period of time and then determine whether additional IP hospice beds are needed.
- The Long Term Care Committee previously approved IP hospice beds need adjustments in Columbus, Robeson, and Surry County primarily because these counties have new IP hospice facilities and secondarily because these counties had more hospice days of care per 1,000 population than the state average. Gaston County's situation is similar because a new facility recently opened, so the SHCC should treat this situation like those other three counties and adjust the need determination.

Gaston Hospice believes that a thorough analysis of the IP hospice bed need methodology must be completed before additional IP hospice beds can be appropriately determined for counties that have an existing IP hospice facility, IP hospice beds under construction, or approved IP hospice beds.

Summary

Gaston Hospice is requesting that the 7 IP hospice bed need determination in Gaston County identified in the Proposed 2008 State Medical Facilities Plan be adjusted to a need determination for zero (0) IP hospice beds for the 2008 State Medical Facilities Plan.

DFS Health Planning RECEIVED

JUL 25 2007

Excerpts and summation of the Gaston Hospice Petition to State Health Coordinating Council

Planning Section Hospice is submitting this petition to the State Health Coordinating Council requesting an adjustment to the need determination for IP hospice beds included in Chapter 13 of the Proposed 2008 State Medical Facilities Plan.

A deficit of 7 hospice IP beds is identified in Table 13C on page 284 and a need determination for 7 IP hospice beds is identified in Table 13E on page 290 in the Proposed 2008 State Medical Facilities Plan for Gaston County. Gaston Hospice is specifically requesting that the need for IP hospice beds in Gaston County be adjusted to a need determination of zero (0) IP hospice beds for the 2008 State Medical Facilities Plan.

Summation of reasons:

- On July 22, 2007 Gaston Hospice opened the <u>Robin Johnson House</u>, a new combined IP and residential hospice facility, with six (6) IP beds and six (6) residential beds. This new facility will meet the needs of Gaston County residents for IP hospice care for the foreseeable future. Adding additional beds will only serve to duplicate this newly operational resource, which is directly contrary to the purpose of the CON Law.
- Gaston Hospice's approved cost overrun CON application projected 4,200 combined IP and residential hospice days of care, which is essentially equal to the need projected in the 2008 SMFP draft.
- Gaston Hospice provided 85.4% of the Gaston County hospice days of care and served 88.1% of the Gaston County hospice patients who died in hospice care. As a result, no other hospice provider in Gaston County can generate the volume of days of care to meet the 1.660 days of care or 65% occupancy for a 7-bed facility, as required. There are not enough hospice patients to support two IP hospice facilities in Gaston County.
- An additional 7-bed facility might serve some patients who would otherwise go to Gaston Hospice. However, it is highly unlikely that another facility would serve enough patients to make it viable and may in fact cause both facilities to be underutilized.
- Previously, The Long Term Care Committee approved IP hospice bed need adjustments in Columbus, Robeson, and Surry Counties for similar reasons. (I.e. newly constructed hospice facilities)
- Gaston Hospice believes a thorough analysis of the IP hospice beds need methodology must factor in these new six (6) IP hospice beds and/or IP beds under construction, in order to truly assess and determine need.

Summary:

Gaston Hospice is requesting that the Seven (7) IP hospice bed need determination in Gaston County identified in the Proposed 2008 State Medical Facilities Plan be adjusted to a need determination for zero (0) IP hospice beds for 2008 State Medical Facilities Plan.

Petition Inpatient Hospice – 4 Received Regarding Proposed 2008 State Medical Facilities Plan

Attached are:

- 1. Petition from Haywood Regional Medical Center Hospice.
- 2. Written comment received.

PETITION

Petition for a Special Need Adjustment to the 2008 State Medical Facilities Plan For Haywood County

PETITIONER:

Home Care Services of Haywood Regional Medical Center dba/ Haywood Regional Medical Center Hospice 560 Leroy George Drive Clyde, NC 28721

RECEIVED

Jenny C. Williams, Hospice Program Manager

Telephone: (828) 452-8292 Facsimile: (828) 452-7078 Medical Facilities
Planning Section

REQUESTED CHANGE:

Haywood Regional Medical Center Hospice requests an adjusted need determination to include three additional inpatient beds for a total need of six beds.

REASONS FOR CHANGE:

Our community's needs for Hospice are eminent. Haywood County's population continues to grow. In 2005, people over the age of 65 represented 20% or 11,000 of our community members. Projections for 2010 indicate that the number of people here over the age of 65 will increase to nearly 24%. Haywood County significantly exceeds the state's percentage of 12% and neighboring counties' rates of growth in the senior population.

Our increase in hospice care reflects population growth. Over the last five years, the number of patients HRMC Hospice served has risen 80%. During 2006, Hospice served 263 families, an increase of 22% from 2005. The substantial growth in patient and family care requires a strategy for dealing with our community's end-of-life care concerns.

In addition to the aging population, the needs and expectations of the people we serve indicate that dying at home is not priority for the majority. In 2006, 99% of patients served by HRMC died in the location of their choosing. And, 53% of those patients died in places other than home. 31% died in a hospital. This makes hospice inpatient care necessary. The advantages to patients receiving inpatient care in a hospice unit vs. other inpatient settings are evident.

- End-of-life care is the primary focus in a hospice unit which translates to staff training and care focused on palliation and counseling to this special group of people.
- A hospice inpatient unit is designed to be a homelike atmosphere to provide peace of mind for the patient and more comforting surroundings for family accommodation.
- Costs of running the facility reflect only hospice costs and quality assurance, services, and utilization review are controlled.

In 2004, our county received a grant to investigate the needs of the aging population. From the surveys and town hall meetings administered in each community, an inpatient hospice unit was ranked high in the top ten needs and creation of a hospice facility in Haywood County was clearly supported. Community members recognize that there is a facility in Buncombe County but the waiting list is long and the 40 to 60 minute drive one-way is unmanageable for the elderly. Patients often die before a bed becomes available and elderly spouses are restricted from visiting their loved ones because of their limited driving ability or availability of transportation. There are

no existing beds in the counties west and south of Haywood and projections indicate the need for ten additional beds in those counties.

We believe that in our county, the need for inpatient hospice beds cannot be based on total days of care alone. We request that you consider the needs and desires of Haywood County residents which includes the fact that almost one third choose not to die at home. In addition, our aging population rate is growing at a faster rate than the state average.

HRMC Hospice requests that the State Medical Facilities Planning Board increase the allocation of hospice beds in Haywood County to a total of six beds.

Thank you for your consideration.

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COMMENTS ON THE PROPOSED 2008 STATE MEDICAL FACILITIES PLAN FOR HAYWOOD COUNTY

REQUESTOR:

Home Care Services of Haywood Regional Medical Center dba/ Haywood Regional Medical Center Hospice 560 Leroy George Drive Clyde, NC 28721

Jenny C. Williams, Hospice Program Manager

Telephone: (828) 452-8292 Facsimile: (828) 452-7078

REQUESTED CHANGE:

Haywood Regional Medical Center Hospice requests an adjusted need determination to include three additional inpatient beds for a total need of six beds.

REASONS FOR CHANGE:

The community needs for Hospice are eminent. Haywood County's population continues to grow. In 2005, people over the age of 65 represented 20% or 11,000 of our community members. Projections for 2010 indicate that the number of people here over the age of 65 will increase to nearly 24%. Haywood County significantly exceeds the state's percentage of 12% and neighboring counties' rates of growth in the senior population.

Our increase in hospice care reflects population growth. Over the last five years, the number of patients HRMC Hospice served has risen 80%. During 2006, Hospice served 263 families, an increase of 22% from 2005. The substantial growth in patient and family care requires a strategy for dealing with our community's end-of-life care concerns.

In addition to the aging population, the needs and expectations of the people we serve indicate that dying at home is not priority for the majority. In 2006, 99% of patients served by HRMC died in the location of their choosing. And, 53% of those patients died in places other than home. 31% died in a hospital. This makes hospice inpatient care necessary. The advantages to patients receiving inpatient care in a hospice unit vs. other inpatient settings are evident.

- End-of-life care is the primary focus in a hospice unit which translates to staff training and care focused on palliation and counseling to this special group of people.
- A hospice inpatient unit is designed to be a homelike atmosphere to provide peace of mind for the patient and more comforting surroundings for family accommodation.
- Costs of running the facility reflect only hospice costs and quality assurance, services, and utilization review are controlled.

In 2004, our county received a grant to investigate the needs of the aging population. From the surveys and town hall meetings administered in each community, an inpatient hospice unit was ranked high in the top ten needs and creation of a hospice facility in Haywood County was clearly supported. Community members recognize that there is a facility in Buncombe County but the waiting list is long and the 40 to 60 minute drive one-way is unmanageable for the elderly. Patients often die before a bed becomes available and elderly spouses are restricted from visiting their loved ones because of their limited driving ability or availability of transportation. There are no existing beds in the counties west and south of Haywood and projections indicate the need for ten additional beds in those counties.

We believe that in our county, the need for inpatient hospice beds cannot be based on total days of care alone. We request that you consider the needs and desires of Haywood County residents which includes the fact that almost one third choose not to die at home. In addition, our aging population rate is growing at a faster rate than the state average. HRMC Hospice urges the State Medical Facilities Planning Board to consider the future establishment of six inpatient beds for Hospice to meet these special needs.

Petition Inpatient Hospice – 5 Received Regarding Proposed 2008 State Medical Facilities Plan

Attached is the Petition from Johnston Memorial Hospital Authority.

DFS HEATH PLAVAIAC RECEIVED

PETITION

North Carolina State Health Coordinating Council

Medical Facilities Planning Section

Submitted to:

Dr. Thomas Pulliam, Chair Long-Term and Behavioral Health Committee c/o Floyd Cogley, Planner Medical Facilities Planning Section Division of Facility Services 701 Barbour Drive Raleigh, NC 27626

Submitted by:

Kevin Rogols
President and Chief Executive Officer
Johnston Memorial Hospital Authority
509 North Bright Leaf Boulevard
Smithfield, NC 27577
(910) 938-7114
krogols@johnstonmemorial.org

Executive Summary

Johnston Memorial Hospital (IMH) is committed to serving the health care needs of the citizens of Johnston County and the surrounding region, regardless of race, ethnicity, gender, age, or ability to pay. As part of its service to the community, IMH provides a variety of high quality health-related services, including the operation of a separately licensed hospice home care agency, Johnston Memorial Home Care and Hospice. In 2006, under the 2006 State Medical Facilities Plan, JMH applied for, and was awarded a certificate of need to develop a 12-bed combination hospice facility with eight inpatient beds and four residential beds in Johnston County. This facilities Plan includes a need determination for eight additional hospice inpatient beds in Johnston County, for a total need determination of 16 hospice inpatient beds in Johnston County since 2006.

JMHI believes the need for hospice inpatient beds in Johnston County is overstated in the Proposed 2008 State Medical Facilities Plan. To address this concern, JMHI requests an adjusted hospice inpatient bed need determination in the 2008 State Medical Facilities Plan of four (4) rather than eight (8) hospice inpatient beds.

Requested Change

JMH requests an adjusted need determination in the 2008 State Medical Facilities Plan of four (4) hospice inpatient beds rather than eight (8) beds.

Reason for Request

JMH believes that the current methodology used to determine the need for additional hospice inpatient beds in the State Medical Facilities Plan is a sound and well-devised methodology for planning for the future hospice inpatient bed needs of the State as a whole. However, as is often the case with statewide methodologies, there are counties and providers that exist as outliers. In these counties, the standard methodology does not accurately determine need. JMH is aware of a petition filed by Southeastern Regional Medical Center to change the statewide hospice inpatient bed need methodology in the 2008 State Medical Facilities Plan. That petition specifically addressed counties with substantially higher than average hospice use rates (total hospice days of care per 1,000 population). While the Long-Term and Behavioral Health Committee did not recommend approval of the petition as filed, it did recognize the validity of the health planning concerns raised in the Southeastern petition and as such, recommended that the hospice inpatient bed need determination be adjusted to zero in Robeson County as well as two other counties, each with extremely high hospice use rates and previously approved hospice inpatient beds pending development. The Committee also recommended the assembly of a task force to be comprised of The Carolinas Center for Hospice and End of Life Care, The Association for Home and Hospice Care of North Carolina, and various hospice providers in the Stato, to determine flaws in the current methodology and recommend appropriate changes to the methodology to be included in the 2009 State Medical Facilities Plan. The State Health Coordinating Council subsequently accepted the Committee's recommendations. While the situation in Johnston County is not as extreme as that in Robeson County, JMH does believe that certain hospice utilization statistics in Johnston County contribute to a somewhat overstated need in the 2008 State Medical Facilities Plan methodology. JMH believes that a need for additional hospice inpatient beds does in fact exist in Johnston County; however, [MH believes that the actual need is for four (4) additional inpatient beds as opposed to the eight (8) that result from the standard methodology in the 2008 State Medical Facilities Plan.

<u>Johnston County Hospice Utilization Statistics</u>

Relevant hospice statistics that JMH believes contribute to the overstated need in the State Medical Facilities Plan include the following:

The Johnston County hospice use rate (total hospice days of care per 1,000 population) is 24 percent higher than the North Carolina average based on 2006 hospice utilization data reported in the Proposed 2008 State Medical Facilities Plan.

Arva	2006 Hospice Days of Care	2006 Population	2006 Days of Care per 1,000 Population	
Johnston County	52,861	151,589	350.25	1
North Carolina	2,462,776	8,774,984	281.70	:
Johnston County Difference from North Carolina		, 	24.3%	:

Source: Proposed 2008 State Medical Facilities Plan-

The number of hospice patient days is somewhat suspect given the mimber of hospice deaths in Johnston County. In contrast to the statistics presented above, the number of hospice deaths per 1,000 population in Johnston County is even less than the North Carolina average as shown below.

Area	2006 Hospice Deaths	2006 Population	2006 Hospice Deaths per 1,000 Рориlatiоя
Johnston County	285	151,589	1.9
North Carolina	22,653	8,774,984	2.6
Johnston County Difference from North Carolina			-27.2%

 As a result of the high number of hospice patient days, total hospice days of care per death in Johnston County are 71 percent higher than the North Carolina average based on 2006 hospice utilization data reported in the Proposed 2008 State Medical Facilities Plan.

Area	2006 Hospice Days of Care	2006 Hospice Deaths	2006 Days of Care per Hospice Death
Johnston County	52,861	285	185.5
North Carolina	2,462,776	22,653	108.7
Johnston County Difference from North Carolina			70,6%

Source: Proposed 2008 State Medical Facilities Plan

3. IMH believes that one primary source of the disproportionately high number of hospice patient days as compared with the number of hospice deaths reported in Johnston County is likely related to the higher than average number of non-death hospice patient discharges. On average in North Carolina, approximately 19 percent of hospice patients were discharged from hospice care in 2006; the remaining 81 percent died while under hospice care. Under typical circumstances, hospice discharges rarely occur because of the nature of the service; patients are occasionally discharged because their physician believes they no longer meet the certification requirements of a limited life expectancy. Non-death discharges as a percentage of

total hospice admissions in Johnston County are 83 percent higher than the North Carolina average per 2006 hospice utilization data reported on 2007 Data Supplements to the Hospice License Renewal Application.

Arca	2006 Non- Death Discharges	2006 Hospice Admissions	2006 Days Non- Death Discharges per Hospice Admission
Johnston County	139	404	34.4%
North Carolina	5,340	28,383	18.8%
Johnston County Difference from North Carolina		·	83.0%

Source: Data Supplements to 2007 Hospice License Renewal Application

The days of care associated with discharged patients are counted in the total hospice days of care and thus included in the need methodology for hospice inpatient beds. However, as these patients do not remain under hospice care, these patients are not included in hospice deaths and it is highly unlikely that they would require hospice inpatient care. Patients who are discharged from hospice are likely appropriate for death in the home rather than an inpatient setting. Therefore, the need methodology for hospice inpatient beds in the *State Medical Facilities Plan* is overstated by the inclusion of patient days associated with these discharged patients.

In counties where the rates of hospice discharge are more in line with the State average and hospice patients are discharged infrequently, the impact of these patient days in the methodology is minimal. However, in Johnston County, the impact of these patient days may result in an overstated need being generated for inpatient hospice beds that the discharged hospice patients will not utilize.

4. IMH believes that another primary source of the disproportionately high number of patient days is related to the higher than average number of nursing home days as a percentage of total hospice days of care in Johnston County. Specifically, nursing home days as a percentage of total hospice days of care were 38 percent higher than the North Carolina average in 2005 per The Carolinas Center for Hospice and End of Life Caro's most recent compiled data available. According to the same data, Johnston County ranks 12th among all North Carolina counties with regard to nursing home days as a percentage of total hospice days of care.

Area	2005 Nursing Facility Days of Care	2005 Total Hospice Days of Care	2005 Nursing Facility Days % of Fotal Days of Care
Johnston County	12,687	40,558	31.3%
North Carolina	456,828	2,007,422	22.7%
Johnston County Difference from North Carolina	·		37,9%

Similar to non-death discharges, the days of care associated with nursing facility patients are counted in the total hospice days of care and thus included in the need methodology for hospice inpatient beds. However, only patients already under the hospice plan of care who are admitted to a nursing facility for inpatient care in the absence of a dedicated hospice facility would be appropriate for admission to a hospice facility if one existed. On the contrary, patients who are already residents of nursing facilities and subsequently seek hospice services prior to death, would be unlikely to move their residence from the nursing facility to a hospice facility even if one existed. Such patients would more likely continue to receive hospice services in the nursing facility setting to the point of death. Therefore, such patients would not be appropriate for admission to a hospice facility, and as a result, the need methodology for hospice inpatient beds in the *State Medical Facilities Plan* is overstated by the inclusion of patient days associated with these patients.

In counties where the rates of nursing facility utilization are more in line with the State average, the impact of these patient days in the methodology is minimal. However, in Johnston County, the impact of these patient days may result in an overstated need being generated for inpatient hospice beds that the nursing facility patients will not utilize.

Requested Change

JMH believes that a need for additional hospice inpatient beds does exist in Johnston County; however, JMH believes that the actual need is for four (4) additional inpatient beds rather than eight (8). Therefore, JMH requests an adjusted need determination for four (4) hospice inpatient beds for Johnston County in the 2008 State Medical Facilities Plan. The following analyses support the reasonableness of this requested change.

If the Johnston County hospice use rate (350,25 days of care per 1,000 population) were lowered to the North Carolina average use rate (281.70 days of care per 1,000 population) and the standard *State Medical Facilities Plan* methodology applied, the following need for hospice inpatient beds in Johnston County would result.

County	2006 Hospice Days of Care per 1,000 Population	2011 Projected Population*	2011 Estimated Days of Care^	Estimated Inputient Days#	Projected Total Beds Required**
Johnston	281.70	174,692	49,211	3,937	[3

^{*}Per the Proposed 2008 State Medical Facilities Plan

^{^2006} Hospice Days of Care per 1,000 Population's (Projected Population/1,000)

[#]Estimated Days of Care x 8%

[&]quot;Estimated Inpatient Days / 365 days / 85% occupancy

Based on the above adjustment and accounting for the eight (8) hospice inpatient beds that JMH has been previously approved to develop, Johnston County would show a deficit five (5) hospice inpatient beds as opposed to eight (8).

An alternative analysis involves adjusting Johnston County's 2006 hospice days of care to exclude a portion of the county's 2006 nursing facility days. To account for the fact that some nursing facility days of care are likely provided to existing hospice patients who are admitted to a nursing facility for inpatient care in the absence of a dedicated hospice facility (and who, therefore, would be appropriate for admission to a hospice facility), JMH has adjusted 2006 Johnston County hospice days of care to exclude 75 percent of the days of care provided in nursing facilities. Applying the standard hospice inpatient bed need methodology to this adjusted number of 2006 hospice days of care results in the following number of hospice inpatient beds needed in Johnston County.

County	2006 Adjusted Hospice Days of Care*	2006 Population	2006 Hospice Days of Care per 1,000 Population	2011 Projected Population	2011 Estimated Days of Care	Estimated Inpatient Days	Projected Fotal Beds Required
Johnston	40,159	151,031	265.9	174,692	46,450	3,716	12

^{*52.898} total days of care - $(16.986 \times 75\% = 12.739 \text{ nursing facility days}) + 40.159 days of care$

This analysis results in an even more conservative estimate of the number of hospice inpatient beds needed in Johnston County. Specifically, this analysis results in a total bed need of 12, which equates to a need for four (4) additional beds after accounting for the eight (8) that JMH currently has under development. Note that this adjustment to hospice days of care results in a 2006 hospice use rate in Johnston County of 265.9 days of care per 1,000 population, which is within 5 percent of the North Carolina average, further supporting the reasonableness of this analysis.

Summary and Implications if the Petition is Not Approved.

A need for additional hospice inpatient beds clearly exists in Johnston County. However, JMH believes that the need identified in the 2008 State Medical Facilities Plan is overstated for the reasons presented in this petition. A need determination for hospice inpatient beds that is overstated and statistically unsupported ultimately will result in duplication of services as well as the development of hospice inpatient beds that may not be financially feasible due to an inflated indication of demand. Given the lack of historical hospice facility utilization until JMH's previously approved inpatient beds become operational, and given the commitment of the State Health Coordinating Council to assemble a task force to determine the flaws in the current hospice inpatient bed need methodology for recommended changes to take effect in the 2009 State Medical Lacilities Plan, JMH believes the most prudent course of action at this time is to adjust the need determination for hospice inpatient beds in Johnston County to four (4) beds based on the more conservative of the two analyses presented above.

JMH appreciates your careful consideration of this petition. Please let us know if we can assist the Council, its committees, and the staff during the process.

Thank you very much.

Petition Inpatient Hospice – 6 Received Regarding Proposed 2008 State Medical Facilities Plan

Attached are:

- 1. Petition from Angel Hospice and Palliative Care.
- 2. Written comments received.

DES Health dissassu. RECEIVED

Medical Lacitities
Planning Section

State Medical Facilities Planning Section Division of Facility Services 2714 Mail Service Center Raleigh, NC 27699-2714 July 30th, 2007

Dear Council:

Enclosed is the Petition to the Health Coordinating Council to Adjust the Hospice Inpatient Need Methodology for Angel Hospice and Palliative Care in the 2008 State Medical Facilities Plan. Angel Hospice is located in Macon County, NC.

Contact persons.

Don Sandoval, CEO 828-524-8111 e-mail dsandoval@angelmed.org Angel Medical Center Riverview Street PO Box 1209 Franklin NC 28744

Michele Alderson, President
Angel Hospice Foundation
PO Box 815
Franklin, NC 28734

828-524-6375 e-mail micheleralderson@yahoo.com
hospicehousefoundation@yahoo

Thank you in advance for your serious consideration of our Petition.

PETITION FOR AN ADJUSTED NEED DETERMINATION FOR HOSPICE INPATIENT BEDS FOR MACON COUNTY

Petitioner:

Angel Hospice and Palliative Care 170 Church Street Franklin, NC 28734

DES HEALTH PLASMON.
RECEIVED

Medical Lacitines Planning Section

Requested Change:

Angel Hospice and Palliative Care (AHPC) seeks to provide comprehensive hospice care for terminally ill patients in Macon and Swain counties. By this petition, AHPC requests that the State Health Coordinating Council adjust the need determination reflected in the 2008 State Medical Facilities Plan for Hospice Inpatient Bed Need to identify the need for six hospice inpatient beds in Macon County. AHPC further requests that the Council consider their proposal to build a freestanding hospice facility with six hospice inpatient beds and four hospice residential beds.

About the Petitioner

Angel Hospice and Palliative Care is a hospital based Home Care Agency and is a department of Angel Medical Center. AHPC is Medicare and Medicaid Certified and is Joint Commission Accredited. AHPC is also a Member of the North Carolina Association of Home Care, the National Hospice Organization, and the Hospice of the Carolinas.

Justification For An Adjustment of Need for Inpatient Hospice Beds in Macon County

Need for Access to Inpatient Hospice Beds in Macon County
Based on the current need methodology, the 2007 SMFP shows there is a projected need
determination for four hospice inpatient beds for Macon County but no need for an inpatient
hospice facility. However there are a number of reasons that justify an adjustment to six
inpatient beds to provide for a freestanding hospice facility in our area:

• Patients receiving inpatient services at AMC who would meet the requirements for placement in a hospice inpatient facility upon discharge are seldom offered that option due to limited or no access to this health service. Mountain Area Hospice, our closest hospice inpatient facility, is located 75 miles or more from the majority of hospice patients served in Macon County. This same facility reports occupancy of 90.8% in the 2007 SMFP. Macon County patients in need of hospice inpatient services are usually denied access to this option and must settle for less than optimal placement due to the long distance patients and families must travel and the lack of available capacity.

- Macon and surrounding counties have seen a huge increase in our retiree population
 further increasing the need for an inpatient hospice facility. According to the NC State
 Data Center, US Census data for 2000 indicates that 22.4 percent of the population of
 Macon County is age 65 or older compared to only 12.0 percent of the population in
 North Carolina aged 65 or older. And while North Carolina saw an increase in
 population between 1990 and 2000 of 21.4 percent, Macon County's growth rate was
 26.8 percent.
- In addition to Macon County, Angel Hospice also serves patients in Swain, Graham and Clay counties and the Cherokee Indian Reservation. While there is no available data for the Cherokee Indian Reservation, Graham County shows a projected inpatient bed deficit of zero (0) and Cherokee, Clay, Jackson and Swain County each show a projected deficit of one hospice inpatient bed (Table 1). The total projected need for the six western counties is 8 inpatient beds. The 2007 SMFP totals show that 28.64% of deaths in Macon County were served by hospice. The same figures for other counties served by AHPC are: Swain 19.67%, Graham 6.06%, and Clay 13.16% and figures for nearby counties show the rates for Jackson at 31.55% and Cherokee at 15.06%. It has been shown that the availability of a hospice inpatient facility increases the number of patients who choose this option for end-of-life care.

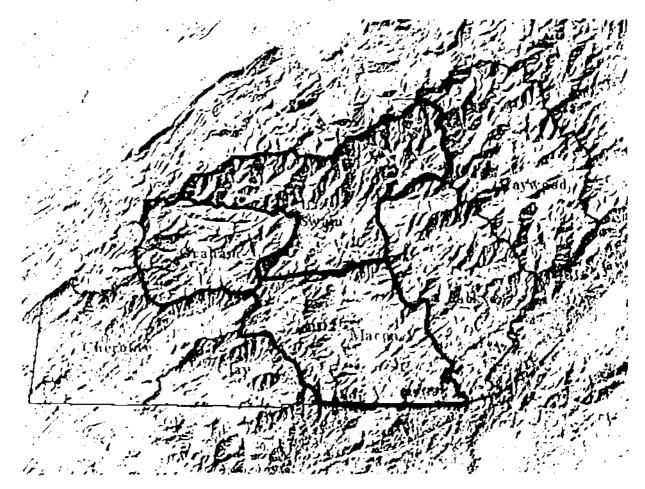
TABLE 1

County	Macon	Jackson	Swain	Clay	Cherokee	Graham
Total Days of Care	9,368	5,219	3,362	3,285	4,840	513
2005 Population (Excluding Military)	32,540	35,748	13,584	9,859	26,173	8,120
Hospice Days of Care per 1000 Pop.	287.89	145.99	247.50	333.20	184.92	63.18
2010 Projected Population	35,512	37,754	14,308	10.732	27,996	8.357
Estimated Days of Care	10,224	5,512	3,541	3,576	5,177	528
Estimated Inpatient Days	818	441	283	286	414	42
Projected Inpatient Bed Deficit	4	· · · · · · · ·	Ī	i	<u>-</u>	0

Source: Table 13C: Year 2010 Hospice Inpatient Bed Need Projections for the 2007 Plan

- An inpatient facility will help family members when care needs go beyond the capabilities of the family caregiver(s). Even with the support of home health or home hospice care, family members frequently report that they cannot cope with the special demands of the situation. In 2007 there were many AHPC patients who requested or needed inpatient care but none was available. Hospice inpatient beds are sorely needed in Macon County to assure all patients, especially the underserved patients who are most vulnerable to limited resources and abilities, have access to this essential end-of-life health service.
- Macon County covers 517 square miles of mountainous terrain and our geography is an
 important factor to consider in determining the need for an inpatient facility. Travel
 times in the mountains are longer and more difficult than in other parts of the state,
 especially for elderly patients and caregivers. There are no hospice inpatient facilities in

the six westernmost counties of NC, an area of 2047 square miles with a population of over 125,000. According to the Inventory of Hospice Residential Beds in the SMFP there are no hospice residential beds in these counties. Macon County is centrally located to the multi-county service area of AHPC. (Map 1)



MAP 1 Macon County is centrally located within the AHPC service area. Mileage from:

Franklin (Macon County) to Asheville	75 miles
Bryson City (Swain County) to Franklin	31 miles
Robbinsville (Graham County) to Franklin	50 miles
Havesville (Clay County) to Franklin	37 miles
Cherokee Reservation (Jackson County) to Franklin	29 miles

 As described in the 2007 SMFP, the State's current need determination projections are based on a six-bed deficit threshold for single counties to trigger a need for inpatient hospice beds. Angel Hospice petitions for an adjusted need determination for an inpatient hospice facility in Macon County based on the combined contiguous county deficits of 4 hospice inpatient beds in Macon County and one hospice inpatient bed each in Clay, Cherokee, Jackson and Swain counties. Approval of this petition will allow Angel Hospice the opportunity to submit a Certificate of Need application to develop a freestanding inpatient hospice facility. Should the adjusted need determination be granted, Angel Hospice would like to include six residential beds with the four inpatient beds to create comprehensive hospice services in Macon County that will serve residents in Macon and Swain counties as well as residents of other contiguous counties including Jackson, Clay and Graham counties, and Rabin County in Georgia.

Although the projected need for inpatient hospice beds in the 2007 SMFP shows a zero deficit for Graham County, and a deficit of only eight inpatient beds by combining the needs of Macon (4). Jackson, Clay, Cherokee and Swain counties (1 each), the six far western counties nevertheless have a need for this facility. With such low projected needs and a six-bed deficit threshold, the feasibility of providing an inpatient hospice facility in the far west appears unlikely in the near future. However, the lengthy process involved in building such a facility speaks to the need to start such a process. A growing population, a large number of retirees moving to this area, strong community support, an increasing use of hospice services, a lack of other facilities in the area, and our special geographic considerations are all factors we ask the Council to consider in this petition. A comprehensive inpatient hospice facility in Macon County could serve the immediate needs of the far western region.

Need for Cost Effective Approaches to Health Services

Patients admitted to and cared for in a hospice inpatient facility incur significantly less cost to Medicare than those admitted to acute care centers. Additionally, some hospice patients require frequent readmissions for acute care services. Angel Medical Center is focused on providing an environment directed to acute, life-saving interventions versus the palliative and supportive care of a hospice patient in need of temporary remedies. Currently, readmissions of hospice patients must be managed in an environment that is not only more costly but is also not the most appropriate environment for most hospice patients. Acute care services provided in a hospice inpatient bed have been proven to be more cost-effective and appropriate than acute care services provided to hospice patients in other settings.

Need for Quality Health Services

Quality healthcare services have been defined as the right care, at the right time, in the right place for the right patient. Acute care services provided in hospitals are not generally geared to the unique needs of hospice patients and their families. Maeon County needs an inpatient hospice facility to assure the continuum of quality hospice services are available for those patients that need and select this option of end-of-life healthcare.

Community support is also vital to assuring a quality healthcare service is developed and sustained in a service area. The community support for a hospice inpatient facility in Macon County has been overwhelming as the letters included with this petition demonstrate. The non-profit Angel Hospice Foundation has also been created with a mission to provide funding and ongoing support to a bospice inpatient facility in Macon County.

Alternatives to the Proposed Adjustment in Need Determination

One alternative to the development of a hospice inpatient facility in Macon County would be to continue to use AMC acute care beds and referrals to area nursing facilities. AMC beds are designed and needed for high acuity patients. Continuing to use AMC inpatient beds for hospice inpatient services is inappropriate and only reinforces the gap in access to quality, cost-effective hospice care in Macon County.

Another alternative would be the development of enhanced palliative care services in AMC. Angel Hospice Foundation and AMC have developed a hospice respite bed at AMC, however certain issues such as bed availability, access to a full-range of quality options, and costeffectiveness still remain. These alternatives do not fully address the need for access to hospice inpatient beds and the development of more cost-effective approaches to end-of-life care. Maintaining the status quo or building on existing programs cannot fully support the community's need or commitment to a hospice inpatient facility.

Evidence That Need Adjustment Would Not Duplicate Health Resources

An adjustment to the hospice inpatient need determination for Macon County would not present any unnecessary duplication of health resources. The 2007 SMFP reports that the hospice inpatient facility in Buncombe County experiences a 90.8% occupancy rate and that this facility reported that none of their patient days were from Macon County. Macon County has a significant gap in access to hospice inpatient beds that is not being met by any other facility.

Conclusion

In summary, the lack of hospice inpatient beds to serve the number of patients who would benefit from such services can be addressed by adjusting the need determination for hospice. inpatient beds in Macon and Swain counties. AHPC respectfully requests that an adjustment be made to the need determination in the 2008 SMFP to identify the need for an inpatient hospice facility with six Hospice Inpatient beds in Macon County.

This the 29th day of July 2007.

Director. Angel Hospice and Palliative Care Angel Home Health

Angel Hospice and Palliative Care is a distinct service line operated and provided by Angel Medical Center. The Medical Center is strongly committed to the provision of Hospice Services to citizens of Macon County. While we are not prepared to be solely responsible for all operational costs of a freestanding facility at this time, we are actively negotiating with the Angel Hospice Foundation to seek ways to fund this new service. Please contact me with any questions. (ancel O Junton

Donald D. Sandoval, FACHE, CEO

Angel Medical Center

July 25, 2007

State Health Coordinating Council Long Term & Behavioral Health Committee Dr. T. J. Pulliam, Chair 1914 Main Jervice Center Saleigh, North Carolina 20069

Gentlemen:

This letter is written in support of the need for a Hospide Impatient Pacility to be located in Franklin, North Carolina. Currently the nearest impatient facility is in Asheville, North Carolina. There are many who live west of Asheville that rould be more conveniently assisted it a facility were here. Macon County is a good location readily accessible to the surrounding counties. A Hospide Impatient Facility could be of great benefit to those terminally ill as well as their families.

My family has been the resignent of the wonderful same and inspacein given by the Hospice people. We know from experience the help provided was of value reyend measure. Fortunately, we were able to keep our Father at home until the end. Other ramilies may not be able to do the same or may need short term assistance.

Thease give great consideration to this worthy need for an impatient facility to be located in Franklin.

Sincerely,

Margaret P. Snyder

July 20, 2007

State Health Coordinating Council Long Term and Behavioral Health Committee Dr. T.J. Pulliam, Chair 2714 Mail Service Center Raleigh, NC 27699

Dear Dr. Pulliam:

I wish to express my interest in an inpatient hospice facility for Macon County, North Carolina. We are so fortunate to have the home services now provided by Angel Hospice in our county, but there is a great need for people without family members who can provide 24/7 care in their last days.

My family's experience with Angel Hospice was a blessed time, my Father was able to remain at home and have all the love and care he needed in his final days and at the same time we as family members received wonderful physical and spiritual help. I cannot say enough good things about hospice.

I would ask you to please consider this need, since there is no inpatient hospice facility west of Asheville, North Carolina.

Sincerely,

Elizabeth C. Hall

Chyabeth a Hall

July 25, 2007

State Health Coordinating Council Long Term and Behavioral Health Committee Dr. T.J. Pulliam, Chair 2714 Mail Service Center Raleigh, NC 27699

Dear Mr. Pulliam:

I am writing this letter in support of the drive to establish a Hospice House in Franklin. I believe this would be very beneficial not only to Macon County, but also the entire western region of the State south of Asheville. I am sure there are caregivers who face a real dilemma when work or other demands take them out of town overnight. There are also times when it is impossible to care for a loved one without the help Hospice provides. I experienced this when my mother, whom I care for, and I both had a virus. From my experience with the great work Hospice does, I am sure any patient would receive the very best of care

I hope you will sincerely consider the establishment of a Hospice House in Franklin.

Thank you.

Respectively,

Revena Shuler

Gwena Shaler

170 Church St Franklin, NC 28734 (828) 369 4206 Fax (828) 369 4400 PO Box 389 Bryson City, NC 28713 (828) 488-3877 1-800 721-4446 Fax (828) 488-9288

PO Box [519 Robbinsville, NC 2877] (828) 479 2110 I 800 328 4691 Fax (828) 479 3848

July 25, 2007

Dr. T. J. Pulliam, Chair Long-Term and Behavioral Health Committee State Health Coordinating Council 2714 Mail Service Center Raleigh, NC 27699-2714

Dear Dr. Pulliam.

The Angel Hospice Foundation hopes to build an inpatient hospice house in our community to serve both Macon County and surrounding counties, as well. There is no such facility in our state west of Asheville.

Angel Hospice strives to provide the highest level of care for our patients and their family members. Ideally we assist families to care for their loved ones in the relative comfort and familiarity of their own homes. On occasion, however, this is impossible. Sometimes the patient's spouse is too infirm to provide adequate care. Sometimes the caregiver must go away for a short period. Sometimes the multiple needs of the patient overwhelm the caregiver

For the past fourteen years I have been involved in hospice work in some capacity. I have observed and have experienced personally just how difficult caring for a dying loved one can be. No inpatient hospice facility was available when my mother was terminally ill, suffering from dementia and a series of strokes. Hospitals, nursing homes, and a patient's own homes all can help to meet the needs of someone in hospice. Unfortunately, the absence of an inpatient facility is like offering a bed missing one of its four legs.

I deeply appreciate your consideration of this important need. Many people stand to benefit from a hospice house here in Macon County, most of all those folks who are experiencing the greatest needs with the least support

With thanks,

Victor A. Greene, D. Min Chaplain, Angel Hospice

cto G. Prem

July 25-2007 100 old mill Ad Franklin, NC 28734

Dr. T.J. Pulliam, Chair
State Health Coordinating Countil
Low Term & Behavioral Health Connissee
2714 Mail Service Center
Raleigh, NC 27699

There letter in To Support the

Need For a Input, out Hospice House to

Serve All Counties wort or

asheville, NC. To Meet the Noode

OF Hospice putient + thoir Families

with terminal illness.

Mady Boths and

July 24, 2007

State Health Coordinating Council Yong Term & Dekavioral Health Committee Ner. 7. J. Kulliam, C'Kair 2714 Mail Hervice Cirtu Raleigh, NC 27669

Klear Her Pulliam,

Please he advesed that I firmly support the lingel Hospice Foundation in their efforts to establish a Hospice inpatient facility in Macon County. I have experienced the care and compicuous given to my Samily imember by the Congel Hospice staff the Lend of my aunt to life, she was placed in a nursen home pince we could not provide the case she needed at home. The wanted her kocque nurie to be there but unfortunately hospice cannot pecune care in a surving home for thirty days My ment passed away before the 30 days. She was frightened in the intersing home with No familian caregines, If we had an impatient hospice Facility she would have been with the people she trusted her care with for the last 3 months of Few life

Hebra Jaye & Derbara: Hasson 1113 Cowetta Late Koad 11 Hr M.C 281163



170 Church St Franklin, NC 28734 (828) 369-4206 Fax (828) 369-4400 PO Box 389 Bryson City, NC 28713 (828) 488-3877 1-800-721-4446 Fax (828) 488-9288 PO Box 1519 Robbinsydle, NC 28771 (8281479/2110) 1-800 328/4691 Fax (8281479/3845

July 25, 2007

State Health Coordinating Council Long Term & Behavioral Health Committee Dr T.J. Pulliam, Chair 2714 Mail Service Center Raleigh, NC 27699

Dear Dr. Pulliam,

I am writing this letter in full support of building a Hospice House in Macon County. I have the privilege of working for Angel Hospice in Franklin, NC. Our goal is to offer the highest level of quality care to our patients. We are presently serving the needs of our terminally ill patients in their homes. Sometimes a patient will need more care than the family members, or hospice staff, can provide in the home. There are also residents in the community who have no caregiver, and presently have to go to a hospital, or care center for end of life care. A Hospice House will provide a home-like setting for patients to receive comfort care for themselves, as well as much needed emotional support for their families

At the present time there is no Hospice House west of Asheville, NC.

A Hospice House in Macon County would prove to be a huge asset for not only this county, but the surrounding counties, as well. Please help us to provide this much needed inpatient facility for those in need of quality end of life care in Macon County

Thank You for your support of this very important project!

Sincerely,

Bette Balmer

Bereavement & Volunteer Coordinator

Angel Hospice

State Health Coordinating Council Long Term & Behavioral Health Committee Dr. T. J. Pulliam, Chair 2714 Mail Service Center Raleigh, NC 27699

Dear Dr. Pulliam:

I am writing this letter in support of Angel Hospice Foundation's petition to adjust the Hospice Inpatient Need Methodology in the 2008 State Medical Facilities Plan.

I have lived in Franklin, NC since the fall of 2001. From September 2005 to April 2006 I was employed by Angel Medical Center, Angel Hospiec and Palliative Care as their Volunteer Coordinator. I left that position after having been diagnosed with Prostate Caneer. During the time that I worked for Angel Hospiec I learned how important hospiec care is to this community and the great service they perform for its citizens. All of our patients were attended to in their homes. But, we often had situations where a patient needed hospiec care but could not qualify for it because they did not have a full time caregiver available. As you may know, this area of Western North Carolina has a large elderly population many of whom, like myself, live alone and do not have family living nearby and also do not have the resources to hire care givers or move to a skilled nursing facility. By having a hospice inpatient facility people in this situation would have a chance at receiving hospiec care. It would also provide a respite for caregivers of homebound patients.

I hope that your committee will give the Angel Hospice Foundation, Inc. petition your favorable consideration.

Sincerely,

Michael James Flynn 131 Franklin Plaza, #210

Franklin, NC 28734

WestCare Home Health and Hospice 212 Sylva Plaza Sylva, NC 28779

July 26, 2007

Dr. T.J. Pulliani State Health and Coordinating Council Long Term & Behavioral Health Committee Dr. T.J. Pulliam, Chair 2714 Mail Service Center Raleigh, NC 27699

Dear Dr. Pulliam,

SUBJECT: LETTER OF SUPPORT FOR HOSPICE FACILITY IN MACON COUNTY

I am writing this letter in support of Angel hospice Foundations petition to build a Hospice Inpatient facility in Macon County. I believe that this project will enhance the scope of services by providing both residential and inpatient hospice care to more effectively medically manage patients in a home like environment. It has been my experience that freestanding Hospice facilities are overwhelmingly successful. The hospice principles and practices are their primary goal. They have much better control over programs, services, quality and utilization and can provide theses services in a homelike setting.

While there is an inpatient facility in Asheville, it is located more than 60 miles away, over mountain areas. The availability of beds is first given to residents of Buncombe County. Admission to this facility has been refused because patients, caregivers and family feel it is too far to travel. The facility has also had a waiting list when we have inquired about rooms. Many patients who would benefit from eare would be separated from their family and friends at a time when they need to be close. By going out of the area they would also leave their primary physician, church support and neighbors.

Western North Carolina is a rapidly growing area. Many of the patients who currently need hospice inpatient care for symptom management are admitted to an acute care hospital. The inpatient beds are more expensive. The hospital often requires labs and other test and does not specialize in the provision of interdisciplinary and holistic end of life care.

Thank You for your consideration in this matter. Hopefully the decision will be a positive one that will have a great impact on the care of the terminally ill patients in Western Carolina. We the If you should have any further questions please feel free to contact me at 828-586-7410.

Sincerely,

Barbara Klein, RN

Director

WestCare Home Health and Hospice

State Health Coordinating Council Long Term & Behavioral Health Committee Dr. T.J. Pulliam, Chair 2714 Mail Service Center Raleigh, NC 27699

Dear Dr. Pulliam,

I have been a resident of Macon County since 1980, and have seen a lot of growth and change here. Almost 4 years ago, my sister became terminal and we enlisted the aid of the local Hospice organization to make her final days more comfortable and pleasant. She was a patient at one of our local Nursing/Rest homes. It was very hard on all the family. After she passed I became a Hospice Volunteer due to what I had learned of Hospice. My regret is that we do not have a Hospice House here in Macon County. There is such a need for a house that I urge you to assist us in procuring one. There is not a facility west of Asheville. All of the counties surrounding Macon would benefit greatly.

My entire family supports the Hospice theory, and seek your support.

Thank you,

Sallee Coss

220 Cliff Dalrymple Road

Franklin, NC 28734

349 Bater Branch Rd. Tranklin, NO 28934 July 21,2009

State Health Conducting bouncil 2714 Anail Service Center Raleigh, NC 27699

Dear Dr Pulliano,

Having had both my mother and an aunt in Hapice. Houses during their final stage of life, I realize how valuable such a facility is to those whose families can not care for them at those times.

Here in mustern N.C. Hure so a strong family ether-falks care for their curv. There are also many retirees ewing here who are far from their families e when items strikes they are often on their own for either group, the "natives" and the transplants" they werk to care fa family or be cared for by lamily in ones own home may not always be possible. It is this reason that I stringly feel there is a need here for a bloopied thewer, Please help we make it happin!

Sincerely, Janet Hill

Michael and Nancy D. Falkenstein 119 Pincerest Drive Franklin, NC 28734

July 21, 2007

State Health Coordinating Council Long Term & Behavioral Health Committee Dr. T.J. Pulliam, Chair 2714 Mail Service Center Raleigh, NC 27699

Gentlemen:

This letter is in support of the Angel Hospice Foundation's mission to obtain funds for the construction and endowment of an Inpatient Facility for our community and to support Hospice.

Personally, we have had a sister die in a nursing home with Hospice Care which for all was a horrific experience. Recently, we had Hospice Care for my mother-in-law in an Assisted Living Facility in Sarasota, Florida, where we saw first hand the difference. We know many hospice volunteers and understand and appreciate what Hospice does.

The need for an inpatient facility in Franklin to provide not only respite care, but care for those who do not have family close-by who can help, is a real one, and the need will become greater as time goes on. We hope to see in Franklin in the near future an Inpatient Hospice Facility that will serve not only Macon County residents but those west of Asheville in neighboring counties.

We trust you will support this project and the efforts of Angel Hospice Foundation.

new Il Factorix

Sincerely,

Michael and Nancy D. Falkenstein

Dick and Molly Gray 79 Quail Ridge Road Franklin, NC 28734

Phone: 828-342-9288

Email: dickandmolly@verizon.net

July 23, 2007

Dr. T. J. Pulliam, Chair State Health Coordinating Council Long Term and Behavioral Health Committee 2714 Mail Service Center Raleigh, NC 27699

Dear Dr. Pulliam:

This letter is written in support of an inpatient facility for hospice care to be constructed in Franklin, NC. There are frequently hospice individuals whose care requires more than what family members and hospice staff can provide in the home. We desperately need an inpatient hospice facility to meet these needs.

At the present time, there is not a Hospice House west of Asheville. A Hospice House in Franklin can reach beyond our own Macon County to serve patients and their families in all counties from Asheville to Murphy.

Please seriously consider adjusting the hospice inpatient need methodology for Angel Hospice in Franklin in the 2008 State Medical Facilities Plan. We NEED a Hospice House and will greatly appreciate your assistance in paving the way toward the this goal of our Hospice Foundation.

Sincerely,

Dick and Molly Gräy



.. WITH PRAISE FOR JESUS ..

July 20, 2007

State Health Coordinating Council Long Term & Behavioral Health Committee Dr. T. J. Pulliam, Chair 2714 Mail Service Center Raleigh, NC 27699

Dear Dr. Pulliam,

I am writing this letter in full support of a "Hospice House" (Inpatient Facility) in Macon County.

As an American Cancer Society volunteer, I am keenly aware of the situation many families find themselves when a loved one is diagnosed with a terminal illness. In many cases, it takes them by surprise and is certainly something they neither expect, nor make plans for, as a family. A Hospice House would be a wonderful way to keep a caregiver close to their own extended family while being near their loved one.

As a Cancer Survivor, I know the uncertainties of a serious disease only make us want to be as close as possible to those we trust and love. A Hospice House would facilitate this need if, in fact, it became necessary for our families to place us there.

A Hospice House in Macon County is a much needed facility and, in my opinion, would be a God-send to our area.

Sincerely,

Bunda Wester

Brenda Wooten Community Events Coordinator WPFJ Radio Franklin, N. C.

185 Franklin Plaza Franklin, NC 28734 828 369 5033

www.wpfj.com.

Print Message

Close this window

From glen547@charter net
Date 2007/07/21 Sat AM 08 14 17 CDT
To warren schmidt@verizon net
Subject Letter

Dear Dr. Pulliam.

I have been a practicing medical oncologist for over 30 years and hospice care has always been an integral part of terminal care for my patients. My initial practice was in New Haven, CT where the first Hospice House in the nation was built. It was a huge success and provided a very much needed facility for patients to experience their last days in dignity and comfort with surrounding family.

I now practice in Athens. GA and we have recently had a Hospice House built in our community. I wholehearedly supported this venture both financially and spiritually. It has provided a much needed refuge for patients, who for whatever reason, are unable to spend their remaining days at home.

My wife and I have built a home in Highlands and for the last three years have spent as much time as possible in this lovely community. It has come to my attention that Macon County and the surrounding counties are in need of a Hospice House. The nearest facility is in Asheville, ninety minutes away, and this clearly is not a good option for families who want to spend quality time with their loved ones in their last days.

I strongly urge you to approve a Hospice House for Macon Counbty - it truly will make a difference and enable patients with terminal illnesses to die with dignity surrounded by those who love them

Sincerely.

R Glen Wiggans, MD

Astreville PH July 13,2007

PUBLIC HEARING, STATE MEDICAL FACILITIES PLANNING BOARD 7/13/07 ASHEVILLE, NORTH CAROLINA

Petitioner:

Angel Hospice & Palliative Care 170 Church Street Franklin, NC 28734

Comments by:

Michele Alderson Hospice Volunteer Angel Hospice & Palliative Care DFS HEATH PLANNING RECEIVED

JUL 1 / 2007

Medical Facilities Planning Section

Angel Hospice and Palliative Care (AHPC) seeks to provide a comprehensive hospice care for terminally ill patients in Macon, Swain and Graham counties. By this petition, AHPC requests that State Health Coordinating Council adjust the need determination reflected in the 2007 State Medical Facilities Plan for Hospice Inpatient Bed Need to identify the need for four hospice inpatient beds and four residential beds.

There a currently two hospices in Macon County; AHPC and Highlands Cashiers Hospice. Patients receiving inpatient services upon discharge who would meet the requirements for placement in a hospice inpatient facility are not offered this option. Nursing homes are their only option for both these hospices.

I joined AHPC five years ago as a patient volunteer. I feel very privileged to serve our patients and families. We have forty-five volunteers in our hospice. Our volunteers have formed a 5013c Foundation. Our Mission is to obtain funds and endow an inpatient/residential hospice facility in our community. Our board members are not only from Macon County. Adjoining Jackson County is represented on our board by West Cares' Hospice Medical Director, and a family physician. These two doctors see the need for a hospice residence and are passionate about seeing it come to fruition for their patients.

We have strong community support for our mission. Donations are already coming in, even though we have not begun our capital campaign.

The closet inpatient facility is in Asheville, which is 75 miles from our county. Our county is one of the fastest growing counties in western North Carolina. We have one of the largest retirement communities west of Asheville.

Hospice inpatient beds are sorely needed in Macon County to assure all patients, especially the underserved patients who are most vulnerable to limited resources and abilities, have access to this end - of - life health service.

Approval of this petition will allow AHPC the opportunity to submit a Certificate of Need application to develop a freestanding inpatient hospice facility.

We respectfully request that an adjustment be made to the need determination in the 2008 SMFP to identify the need for four Hospice Inpatient beds in Macon County.

Asheville PH July 13, 2007

DFS HEAlth Planning RECEIVED

JUL 10 2007

Medical Facilities Planning Section

Name: Evelyn M. Byrnes

Address: 705 Highlands Cove Drive

Highlands, NC 28741

I am here as Hospice Volunteer for the Highlands Cashiers Hospital and as a member of the Angel Hospice Foundation Board of Directors to support the approval of their current petition to establish a Hospice House for Western North Carolina patients.

Ashev. 11e PH July 13, 2007

Name: Evelyn M. Byrnes

Address: 705 Highlands Cove Drive

Highlands, NC 28741

I am here as Hospice Volunteer for the Highlands Cashiers Hospital and as a member of the Angel Hospice Foundation Board of Directors to support the approval of their current petition to establish a Hospice House for Western North Carolina patients.

Comment Received Regarding Proposed 2008 State Medical Facilities Plan

Attached is comment received supporting petitions for inpatient hospice beds.

Asheville Public Hearing July 13, 2007

I am Rita Burch, Hospice of Rutherford County. I am speaking to the need of Hospice. In the 2007 Plan it shows Rutherford County needing four (4) beds. We submitted our special need petition showing we needed six (6) more beds and thankfully that was approved. We will submit a Certificate of Need for that in September. So as far as the Proposed 2008 Plan I would like to speak on behalf of the hospices that are represented here today, that is Angel Hospice in Macon County, Hospice of Winston Salem in Forsyth County and Haywood Regional Hospice in Haywood County. Hospice services are growing so quickly so when that data come forth if you will take in consideration the current data because the hospice inpatient beds are saving lots for the communities, the hospitals are enjoying it and I just think the hospice growth shows the needs for these beds.